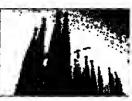
On unsafe ground Why Germany's wise men are wavering



Contrasts on

# INANCIAL TIMES

# up as factory output increases

Europa's Business Newspape

US factory output rose a sharp 0.8 per cent in October, providing further evidence of the acceler-

ating pace of US economic growth. in its most buoyant assess sment of industrial trends since late last year, the Federal Reserve also said output rose 4.4 per cent in the year to October, and revised figures for September to show a gain of 0.4 per cent rather than 0.2 per cent as initially reported. Page 18

Major offer on M freland: UK prime minister John Major acted to break the Northern Ireland deadlock by issuing the first explicit offer that if the IRA laid down its arms then he would negotiate with Sinn Pein, its political wing. Page 18

Rhône-Poulenc: The French government launched its second big privatisation, setting a price of FFr135 (\$23) a share for individual investors in the chemicals and pharmaceuticals group.

Go-ahead for bridge: A Swedish court approved controversial plans to build a \$3bn road and rail hridge between Denmark and Sweden, but imposed tough environmental conditions. Page 3

Keating makes plea for Aborigines ..



Australian prima minister Paul Keating (left): called on the nation to use high court recognition of Aborigines' iand rights as "an opportunity to transcend the history of disposes sion" for the country's indigenous people, . Keating - who has

negotiations between the government and Aborigine leaders over the highly contentious native title issue - said Australians could not ignore the matter, either "Jegally

Sony Music Entertainment, entertainment arm of Sony, the Japanese consumer electronics company, said pre-tax profits for the first half plunged 21.8 per cent to Y9.9bn (\$93m) on a 1.7 bit records, 24

BAA, the privatised British Airports Authority, is in discussions with the Italian IRI state holding company over acquiring an equity stake and management of Rome's Funicino airport when it is eventually privalised. Page 19

Credito Italiano: Italy's first attempt at a big privatisation aimed at retail investors will start on December 6 with the sale of the IRI state holding company's 67 per cent stake in the country's sixtb largest bank. Page 19; Lex, Page 18

Arafat ally shot: Gunnen shot the top official of PLO leader Yassir Arafat's Fatah movement in Lebanon. Mouin Shabaytah was taken to hospital after being bit by seven bullets when his car was riddled by submachinegun fire in Sidon. There were differing reports on whether he had died or was severely injured. He is the second senior Fatah official to be shot in south Lebanon in less than a week. Palestinians and Israel start economic talks, Page 4

Trade warning: Sir Leon Brittan, European Commission vice-president, warned that any agreement between Japan and the US that sought to increase market share of foreign companies was likely to be at the expense of the EU and called on the Japanese government to resist US pressure for such managed trade. Page 6

Civil war fear: Lord Owen, Europe's peace choos in former Yugoslavia, said the world commu-nity would have to decide how long it could sustain intervention in the war-torn countries, saying there was a danger that inter ening in civil wars only worsened the situation. Page 2

Astra, fast-growing Swedish pharmaceuticals group, announced it was in final stages of developing treatments to compete with two of Glazo's top-selling drugs. Page 19

Would-be MPs come forward: Leading government and opposition figures are among the more than 1,500 candidates who have claimed the right to stand in the December 12 elections for the 225 seats in the Russian parliament's lower house. Page 3

Fat profits: Japan's sumo wrestlers have been awarded an average wage rise of 6 per cent for next year, meaning that the monthly salary of the top-ranking wrestlers, the yokozuna or grand champions, will be nearly Y2m (\$18,800).

STERLING
New York Innchisme:
Looder
1.4839; (1.483)
DM 2.5175 (2.5075)
[FF 8.75 [8.73]
SFr 2.22 (same)
Y 158.75 (157.5) 5 Index 81.2 (80.7)
£ index 81.2 (80.7)
# DOLLAR
New York bunchtime:
DM 1.69375
FFr 5.886
SFr 1.494
y 106.315
London: DM 1.69 (1.6915)
FFc. 5.875 (5.8875)
SFr 1.491 (1.497)
Y 106.5 (106.15)
\$ ladex 66.1 (66.3)
\$ lactex 66.1 (56.3)
\$ ladex 66.1 (66.3) Tokyo cluse Y 105.79
\$ ladex 66.1 (56.3) Tokyo close Y 105.79 LFr65 Outer CR12.00
\$ ladex 68.1 (56.3) Tokyo close Y 105.79 LFd5 Oster CR12.00 Leg.60 S.Aubbe Set 10
\$ Index 68.1 (56.3) Tokyo close Y 105.79  LFr65 Outer CR 12.00 Lm0.60 S.Ambin SR11 as0n13 Segapore SA10 as0n13 Segapore SA10 SSL068 PD 105.45
\$ ladex 68.1 (56.3) Tokyo close Y 105.79  Linds Oater CR12.00 Les0.00 SArabin SR11 alCh13 Separate S4.10 R 3.75 South Rip (SL45 Suph Althous R12.00
\$ Index 68.1 (56.3) Tokyo close Y 105.79  LFr65 Outer CR 12.00 Lm0.60 S.Ambin SR11 as0n13 Segapore SA10 as0n13 Segapore SA10 SSL068 PD 105.45

# us growth speeds Frozen silence of Chernobyl's nuclear wasteland

By Bronwen Maddox, recently in Chernobyl

IN the town of Chernobyl, the silence is so complete it is hard to break it hy talking. You hreathe more shallowly, partly because it is 15 degrees below zero, and partly for fear of the radioactive dust, although the scientists who are the town's only inhabitants say there is no danger if you do not stay

Seven years after the world's worst auclear disaster at the power plant 20

through the curtained windows of the two-storey green and white houses, but the grass has grown over the garden paths and the frozen roads are unmarked by tyres. Radiation meters show readings five to ten times above natural background levels - In some spots the readings leap to 5,000 times

higher than normal. When the Ukrainian plant's fourth reactor exploded in the early bours of April 26 1986, it sent clouds of radioactive platonium, iodine, strontium and kllometres to the north, Chernobyl is a caesium drifting over Enrope. The

plant's isolation helps explain how none of its operators challenged their orders to carry out ill-judged tests on the reactor. Surrounded by frozen rivers curling in crazy oxbows, its white concrete sheds gleam for miles across marshes

and pine forests.

A team of officials and scientists from the European Commission and the European Parliament is now working urgently with the republics of Belarus, Ukraine and Russia, the three most affected by the explosion, to try to limit the consequences for health and the

Last week the team, which has given Ecu14.2m (\$16.6m) for joint research programmes, warned that water supplies could become contaminated within a decade. Lack of adequate health data is handicapping efforts to measure the effect of radiation on people's health, they say; unless monitoring begins soon, it may be impossible ever to judge

how many people have suffered. Mr Gordon Adam, Euro MP for Nor-thumbria, said: "We have to have priorities, and thyroid cancer in children is one of them." A Commission report has shown a sharp increase in the disease.

But the scale of the task in combating the radiation, which has made a wasteland of some of the most fertile land in the central European plain, is daunting. For 30km around the plant, the land is so contaminated that all normal buman

ilfe has been driven ont. A six-strand barbed wire fence bars almost everyone but for the eight-man shifts who tend the plant's two remaining reactors, and scientists studying mutations in plants and animals. The

> Continued on Page 18 A fall out among friends, Page 16

ncy

nt of the

ith moun

et days it ninerals to

nergy supper cent of

bas now

t of energy

The capi

virtually

d electric

country is

rtually no

he lack of

production

, by 50 per

alone. The

s expected

elieve the

jik govern-ivelled to

r the Turk

hard cur-

tistan con-

ter supply

ut as one

fresh air.

this crisis Tajikistan

within the

ey, the Ira-

e republic

with the

match the

**Tajikistan** 

issian ten

invalid in

v himseif

dikistan is

ces. But to

tment we

rican dard

lions
This
have
are
aller
l and

bout Bank egies at by

al to

iors, or be viten 3 the

hich

nee a do mic ion,

of GDP.

# Brussels says EU must act on jobs or risk social unrest

By Lionel Barber in Brussels

THE European Union risks social unrest and the end of its dreams of a single currency unless it tackles unemployment immediately and restores economic comtaken a large role in petitiveness, according to a confidential draft by the European

In a blunt assessment, it says the present and short-term economic outlook in the 12 member states is "dismal". The number of people out of work, now nearly 18m, is likely to remain at "alarming" levels for the next

three to four years. The Commission document is intended as a macroeconomic blueprint for the European Union to the end of the century. It will be submitted to heads of governments for approval at the Brus-

sels summit next month. Among the paper's chief recommendations are: A reduction of short-term interest rates of between 2 and 3 percentage points in the EU average. Interest rates could fall "sub-

stantially" in Germany, but only if wage rises are curbed and the public deficit reduced. Real wage increases to be increased by 1 percentage point less than productivity growth, as

"an acceptable rule of thumb". A progressive increase in national savings, in particular through lower public deficits. The paper also calls for stronger public investment and an inflation target of between 2 and 3 per

· More flexible labour markets and a broadening of the tax base. That would make it cheaper to hire labour, improve women's chances of finding work, and increase employment in small to medium-sized husinesses. The Commission paper con-

firms earlier reports that Brussels has set itself a goal of creating at least 15m new johs, halving the present rate of unemployment by 2000.

That mirrors likely targets in a fortbeoming white paper on employment and competitiveness being prepared by Mr Jacques Delors, president of the European Commission. The white paper will be the centreplece of next month's summit in Brussels.

The Commission paper warns that the goal implies very high rates of job creation to be maintained "over many years". At present, the European economy can only manage growth rates of little more than 2 per cent without inflationary overbeating.

Failure to act, the paper says, may trigger a political crisis that would postpone the goal of EMU indefinitely. "The Community would be plunged into the deep divergent conditions that prevailed 20 years ago, after the first oll price shock, but with a much worse social situation."

The paper, Restoring Growth and Employment - Strengthening Convergence, has assumed added significance as a guide to macroeconomic policy after the collapse of the European exchange rate mechanism.

The Commission argues that member states are unlikely to succumb to the temptations of a dash for growth through lower interest rates and competitive devaluations in the newly flexiole ERM.

"They have clearly weighed up the advantages of this increased monetary room for manoeuvre against the potential danger asso-clated with the loss of counter-inflationary credibility, the breakdown of monetary co-ordination and excessive exchange rate vola-

The paper also renews calls for more credible "convergence" pro-grammes for member states, implying that previous efforts were less than satisfactory.

### Shares decline as parties prepare for showdown

### Hosokawa fails to win deal on reforms

By William Dawkins and Robert Thomson in Tokyo

LEADERS of Japan's coalition government and the opposition Liberal Democratic party failed to reach agreement on electoral reforms early today, setting the scene for a parliamentary showdown that could again shake the

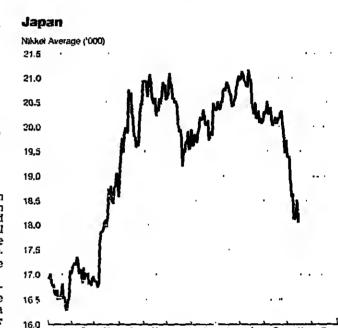
country's political system.
Prime minister Morihiro Hosokawa met Mr Yohei Kono, the LDP leader, for two hours in an attempt to resolve disputes over proposed legislation, but they were left far apart on important sections of four hills intended to clean up Japanese politics.

"It's very disappointing," Mr Hosokawa said. "We have given them a lot of time to discuss

these things."
Mr Hesokawa has indicated that he will resign if reforms are not introduced by the end of the year, and his coalition needs to have the hills passed by the lower house of Japanese parlia-ment this week if the prime minister is to keep to his timetable.

He said that unless the LDP was prepared to make concesslons, the coalition would break with tradition and attempt to push the bills through the parliament without reaching a consensus with the opposition.

The meeting of the two leaders was seen as a last attempt to settle disputes amicably, and while Mr Kono said the discussions were "useful", Mr Hoso-kawa said the LDP had failed to



The Nikkel average lost 2.3 per cent yesterday, on worries over political reform negotiations, arbitrage selling and unwinding of margin positions, prites Emiko Terazono in Tokyo. The 225-issue index fell 418.94 to 18,074.61 after a bigh of 18,506.95 and a low of 17.952,20. Volume was 280m shares against 438m. Traders said that many investors were concerned about the prospects of Mr Moribiro Hosokawa, the prime minister, achieving a hreakthrough in political reform talks with the opposition Liberal Democratic party.

"If the political reform bills do not pass through the lower bouse in the next few days, there will be a big delay in decision-making regarding measures to boost the economy," said Mr Yasuo Ueki at Nikko Securities.

Source: Datastruan

Even before the meeting, the Nikkei average lost 2.3 per cent. partly on fears that if the reform hills do not pass through tho lower house in the next few days. there would be big delays in mea-sures to boost the economy.

The government wants the present scandal-prone multiseat constituency system to be under pressure from party elder replaced by a mix of single seats rejected the government offer.

Markets, Section 11 respond to the government's offer and proportional representation, with 250 representatives chosen through each method, a total of 500 members in the Lower House. However, Mr Hosokawa offered to have 274 seats chosen through small constituencies, bringing the government closer to the LDP dcmand for 300 single-scat represenlatives, which should favour

it as the largest party. Mr Kono,

under pressure from party elders,

### Probe into **US** state election ordered

By Jurek Martin in Washington

A FEDERAL JUDGE and the state attorney-general yesterday ordered investigations into the sible suppression of the black vote in the governor's election in New Jersey two weeks ago.

It was not immediately clear if the investigations would call into question the validity of the election, in which Mrs Christine Todd Whitman, the Republican candidate, nusted Governor James Florio, the Democratic incumbent, by a mere 2 percent

age points. At least one prominent black civil rights organisation in the state has urged the new gover-nor not to take office in January as scheduled but to wait until the results of the investigations

are known.
The judge, sitting in Newark, ordered Mr Ed Rollins, Mrs Whitman's campaign manager, to testify under oath about postelection interviews in which he asserted that the campaign had paid up to \$500,000 (£330,000) to assorted black ministers in implicit return for thair not

vote for Mr Florio. Under pressure from Mrs Whit-man, Mr Rollins subsequently retracted his statement and spotogised for any offence. Later the Whitman campaign issued fig-ures showing that about \$48,060

Continued on Page 18

# Tailor to the tsars buys into biggest Russian suitmaker

By Leyla Boulton in Moscow and Daniel Green in London

BRITISH purveyors of overcoats to Russian tsars and Polithuro chiefs yesterday acquired 49 per cent of Russia's higgest suit-maker as part of the gradual emergence of foreign investment in the country's mass privatisa-

tion. Despite its name, which literally means "Bolshevik Woman", the Bolshevichka factory today produces only menswear, 350,000 women's clothing in future. The investor is Illingworth

Morris, s British company created by a Lithuanian emigré early this century. It makes menswear sold under labels such as Crombie and Christian Dior. Links between Illingworth Mor-

ris and Moscow are already strong: 60,000 Crombie coats were once supplied to the former Soviet Union each year. Customers included Mr Mikhail Gorbachev and other Communist party leaders as well as at least one

Mr Alan Lewis, chairman and owner of Illingworth Morris, is investing \$5.5m, mostly in technological knowhow, training and licensing. He said his strategic aim was to ensure a presence in a country which "could become a centre of production for western Surope in the next decade and beyond".
The \$5.5m, to be invested over

CONTENTS

five years, includes \$2.5m for the right to produce the Crombie label, which belongs to Illingworth Morris, and Christian Dior. for which it has the UK licence. The price tag on Illingworth

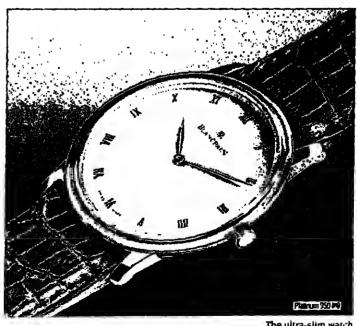
Morris's retail network and the establishment of Bolshevichka's own western marketing structure Transferring knowhow and setting up a new production line to manufacture an additional 35,000 suits at Bolshevichka's existing plant is valued at \$2m in the ten-

der documents. The remaining 51 per cent of the company is owned by Bolshevichka's staff and man-The deal is the latest chapter in the extraordinary story of Illing-worth Morris. Mr Lewis, holder of a black belt in karate, a bornagain Christian and one of

Britain's richest men, won con-trol of the company in the 1970s after a long battle with Mrs Pamela Mason, widow of film actor James Mason. She was a Hollywood talk show hostess and heir to Isadore Ostrer, a penniless immigrant who rose to become a merchant banker, film impresario and tex-

tile magnate in prewar Britain. Bolshevichka's general director, Mr Vladimir Gurov, is also a colourful character. Mr Gurov, at 40, is one of a new breed of Russian capitalists, dressed in a natty tweed hlazer. He said Bolshevichka expected to export 10-15 per cent of its output.

# BLANCPAIN



SINCE 1735 THERE HAS NEVER BEEN A QUARTZ BLANCPAIN WATCH. And there never will be.

Catalogue and video BLANCPAIN SA CIT-1348 Le Brassus, Switzerland Tel 41-21 845 40 92 Fax 41-31 845 41 88

intl. Cap Mids Intl. Companie

LONDON . PARIS . FRANKFURT . NEW YORK - TOKYO

THE FINANCIAL TIMES LIMITED 1993 No 32,219 Week No 46

### Belgian strike campaign launched

By Andrew Hill in Brussel

BELGIAN unions yesterday fired a warning shot across the bows of the country's govern-ment with the first of a planned series of strikes to protest against proposals to cut wage costs and improve industrial competitiveness.

Ministers from Belgium's centre-left coalition were last night said to be entering the final stages of talks on mea-sures which should cut social security payments and lucrease indirect taxes.

Foreign investors and currency markets are watching the negotiations closely. Analysts believe that if the government does not attack Belgium's central problem of a looming budget and social security deficit, the Belgian franc will come under renewed speculative pressure. During Belgian central bank had to fight bard to maintain its strict policy of shadowing the D-Mark.

Some market analysts said yesterday they feared Mr Jean-Luc Dehaene, Belgium's Christian Democrat prime minister, might have to water down his strict line on government spending, to avoid a schism with his Socialist coalition

partners. Yesterday's industrial action was particularly successful in Wallonia, the French-speaking sonthern part of Belginm, paralysing the region's indus-try. That only emphasised the difficulties for the government, hecause the Frenchspeaking Socialist members of the coalition are the most oneasy aboot the government's plans.

Public transport in the citles was also hit by the action, although the state railwey, and Sabena, the national airline, were almost unaffected.

However, Socialist and Christian unions have promised a series of strikes over the next few weeks, targeted on different regions of Belgium. The unions say their action will culminate, "if necessary", in a general strike, to coincide with the summit of European Union leaders in Brussels on December 10.

The French-speaking and Datch-speaking Socialist partles are keen that reductions In social expenditure should be offset by increases in prop-erty and withholding tax. Christian Democrats are calllng for savings of BFr75bn (£1.4bo) on social security expenditure, while the Socialist parties want to raise at taxes oo investment.

nnions yesterday attacked Belgian industry for hiding behind the government's proposals. The employers' federation said the industrial action was negative for majority of Belgian citizens.



# Owen questions Bosnia action

LORD OWEN, Europe's peace envoy in former Yugoslavia, yesterday warned that the world community would have to decide how long it could sustain intervention in the wartorn countries.

in a speech to the Confedera-tion of British Industry in Harrogate, northern England, Lord Owen said there was a danger that intervening in civil wars only worsened the situation. "Europe can help, above all

us not forget we are feeding the warriors, we are interfer-ing with the dynamics of war...becoming more and more unjustified as it becomes a battle for smaller elements of territory, smaller elements of

"There will come a moment when the world community will have to decide how long we can sustain intervention." Lord Owen argued that the UN could not settle other peo-ples' problems - "all it can do

problems". He added: "You have to realise that they operate under the same dynamics as we have operated in our history and rightly or wrongly and I believe wrongly - these people are still intent on fighting each other.

However, no one should feel "totally ashamed" of what Europe was trying to do in former Yugoslavia, in response to calls for greater military intervention, Lord Owen said: "Do 10,000 ft from an aeroplane." Nonetheless, the European Union's policy towards former Yugoslavia showed the difficulties of trying to impose one a single foreign policy.
This led to the mistake of

recognising Croatla and then Bosnia because member states wrongly believed they needed to have a common foreign pol there is no need to feel guiltridden if all 12 countries do not

### Brussels clears telecoms venture

THE European Commission has cleared a joint venture between 12 of the world's largest telecommunications groups, aimed at providing specialised communication services between financial centres.

But the Financial Network Association, which includes six European companies,

vice suppliers. The FNA also undertook not to use revenue from "reserved" nopoly services to subsidise services such as data transmission, which are already open to competition.

The FNA, set up in March 1992, will offer worldwide services to financial insti-

had to give special undertakings that it tutions through the networks of the com-would not discriminate against private sercom, Belgacom, the Belgian state telecoms company, Italcable of Italy, Mercury Com munications of the UK, Telfonica of Spain. Oeutsche Bundespost Telekom of Ger many, Telstra of Australia, Hong Kong Telecom, KDD of Japan, MCI of the US

# It's springtime for Prague privatisation

Patrick Blum reports on the Czech government's determination to promote a new wave of sell-offs

lost its gloss for Prague intellectuals infuriated by the demise of state support for film makers, but the Czech government has lost none of its fervour for sweeping

Now free of its entanglement vith Slovakia - although not of the asset disputes that followed the divorce of the two epublics on January 1 this year - the government is launching a wave of mass privatisation by vouchers.

Around 770 companies are up for sale, with a book value CzK145bn (£3.3bn), using voucher books on sale since October 1. The first of five bid-ding rounds for shares are due to start in February and investors should receive their shares hy the end of next year.

A similar scheme in the former Czechoslovakia, in 1991. drew 8.5m Czech and Slovak investors. But critics say the process is too slow, and prone to manipulation and delays. Shares of companies sold in

the first wave were only transand privatisation funds which control more than 70 per cent of privatised stock - this summer. "We're only starting to look at the numbers. We're all discovering what we really own," says one fund manager. Mr Viktor Kozeny, whose Harvard Capital & Consulting company is the third largest fund in terms of asset value with stakes in 51 companies, says be wants to sack about one-third of his companies managers and employees to make them more efficient and

Other funds prefer to wait and see how their companies perform, encouraging managements to adapt to the new market conditions gradually, rather than forcing boardroom

profitable

Critics say such caution may commendable, hut it is delaying restructuring and the rationalisation of companies deeply in debt. The collapse of traditional markets in tha for-

APITALISM may have mer Comecon trade bloc, and the disruption caused by the transition to an emergent market economy, have led to a huge amount of inter-company debt, variously estimated at CzK80bn-CzK150bn. No one

really knows the exact amount. Estimates of the private sector's share in the national economy vary from 40 per cent to 60 per cent, but its share of industrial production remains below 20 per cent and almost two-thirds of the workforce is still emptoyed in the public sector. The government believes, however, that the scheme is the quickest way of

state assets, even if its impact on the economy is delayed. eanwhile, privatisa-tion funds have to come to grips with managing their newly acquired portfolios. The biggest fund backed by Ceaka Sporttelna, the large savings bank, has more than 1m shareholdera

and 514 companies in its port-

off-loading a large volume of

folio; three other funds have stakes in more than 260 companies each. Vested interests, and the fear that precipitate action could unleash an uncontrollabla wave of bankruptcies, hava encouraged a wait-and-see approach, disappointing those hoping for more rapid change. A new hankruptcy law, which came into force in April, was designed to help encour-age companies to settle their

accounts or face insolvency proceedings, but until now there has been only a trickle of The government would like the process to be speeded up, but institutional investors are more guarded. The banks, which are owed about CzKl30bn in loans, are reluctant to start bankruptcy proceedings which may embroil

large number of companies which owe money to each other and to the banks. So nebody wants to rock the

boat," says one analyst No one knows how long this state of affairs can be maintained, but it is a potential cause of instability in an

already fragile structure. Uncertainty has heen reflected in erratic trading on the Prague Stock Exchange and the rival over-the-counter RM-System. Trading volumes have been small, with sudden bursts of activity caused by a few large transactions in a handful of shares. Share prices, which had been in the doldrums for months, have risen sharply recently as investment funds consolidate their positions. However, analysts of believe that on the current rate of increase some shares may

soon be overpriced. One drawback is that foreign investors bave stayed away, prefarring to deal off the exchanges and directly with the funds, making it difficult to know what is really happening

in the market. There is a split market with two systems, not enough transparency, and there are no custodian facilities for foreign investors. If people trade off the exchanges, there's no way to know what's going on," says one fund manager.

This may not worry Czech investors paying CzK1,000 plus a small fee for their voucher books. Lured by the hope of quick prosperity, millions of Czechs contributed to make the first voucher privatisation a resounding success, but the appeal may have faded.
About 2 im Czechs have reg-

istered since voucber books went on sale last month. The euthorities hope up to 3.5m people will register by the end of November deadline. A full picture will only be

them in costly and lengthy litiavailable once the official list gation with little prospect of of investora is published in recovering their money.
"The banks provide financial January or February. Until then, investors will have to backing for the funds which wait to know whether they own important stakes in a

# Hitachi components move

HITACHI, the Japanese electronics group, yesterday launched a co-operative programme aimed at improving the competitiveness of European electronic component manufacturers.

ager of Hitachi's European office, warned that without a guaranteed reliable and stable western Europe, both Japanese and European consumer electronics groups would be forced to seek supplies in Asia or eastern Europe. He said manu-

facturers based in Europe, wbether Japanese or European, had "a very serious com-

The Japanese group yesterday invited Its own European suppliers - and component manufacturers nominated by any European users - to take

will promote Hitacbi exchanges of information ers and their suppliers, while asking its own engineers in Japan and at its plant in Wales to guide suppliers on what manufacturers require. The Hitachi programme is inspired by the EU-Japan joint initiative to strengthen European components suppliers, launched in 1991. That programme has encouraged Japanese and European consumer electronics groops, government, European Commission tions to pool views on the strengths and weaknesses of the European industry.

Mr Toru Fukui pointed out that more than 80 per cent of the VCRs manufactured in Europe were now made by Japanese companies, and two-

Harrogate and the West Riding

of the CBI Confere print centres in Tokyo, New York, Frankfurt, Roubeix and officiala in 160 enuntrins

terest to the 139,000 Senior ssmen in the UK who

If you wish to reach this important audience with your es, expertise or pro whilst maintaining a high profile in ennaecting with Harrogate and would like to ve a copy of the edito

HUGH WESTMACOTT - BRIAN HERON on 061 834 9381, (Fax 081 832 9248) FINANCIAL TIMES

> ira Balidings, Queen Street Manchester M2 St.F

### PRIVATISATION

# "Bienvenue" to the world of Rhône-Poulenc

The Rapublic of France intends, if market conditions permit, to dispose of approximately 88.1 million ordinary shares "A" of Rhôna-Poulenc (tha "Shares") within the next few weeks and no later than 28 January, 1994 by way of a combined offer.

The combined offer will consist of:

- en Offre Publique de Vente in France of approximately 47,600,000 Shares underwritten by a syndicate of banks led by Société Générale, Banque Indosuez and Crédit Lyonnais;

-a globel international offer of epproximately 31,700,000 Shares undarwritten by a syndicate of banks led by Banque Indosuez and Société Générale, consisting itself of offers being made to institutional investors and other entities in Franca and to Investors in tha United States (in the form of Shares or American Dapositary Shares representing Shares), in Japan and in certain other countries; and

- an offer of approximetely 8.8 million Shares on preferential terms to employees of Rhône-Poulenc and Its affiliates in which Rhône-Poulenc holds, directly or indirectly, a majority interest.

Rhône-Poulenc's Shares are listed on the Paris Bourse and quoted on SEAQ International in London. Rhône-Poulenc'a American Depositary Shares are listed on the New York Stock Exchange.

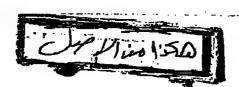
The global Internetional offer will be made by way of a book building procedure. The price per Share applicable to the global International offer will be determined following the book building exercise. The price will be no less than the price applicable to the Offre Publique de Vente in France,



The Shares offered outside the United States have not been and will not be registered under the U.S. Securities Act of 1933 and, subject to certain exceptions, may not be offered or sold within the United States.

isament has been issued by Rhône-Poulenc S.A. - Financière Indosuez Limited, a member of the Securities and Futures Authority Limited, has approved the contents of this advertisement for the purposes of Section S7 of the Financial

This document does not constitute or form part of any offer to sell, or any solicitation of any offer to purchase, any securities and is not for distribution in the United States. The offer will be made only by means of a prospectus, whose obculation in



MORE THAN 1,500 candidates have claimed the right to stand in the elec-tions for the 225 seats in the Russian parliament'e lower house which are to be elected from single-member constitu-

The list for the elections on December 12 includes leading figures from both

government and opposition.

The lists were closed as Mr Boris Yeltsin, the Russian president, re-opened the possibility of his standing as president in elections next June before

daily izvestiya in an interview that the decree on bolding a presidential election had not been cancelled, and that he wanted to hear the new parliament's opinion on the issue.

He said, however, that his "heart was not in pre-term elections" - since it would be yet another referendum in trust in the president. He said the deci-sion to call the election had been made when he was seeking a compromise with the former parliament - a situa-tion which no longer applied.

The candidates for the lower house.

or State Duma, will be elected both hy party lists - chosen from 13 groups cleared to stand - and from first-pastthe-post constituencies. Conservative figures such as Mr Yurl Voronin and Mr Valentin Agaionov, former senior officials of the dissolved parliament, are seeking seats - as is Mr Sergei Bahurin, former leader of the hardline Russian

National Unity group.

Two of the ringleaders of the parliamentary rebellion, Mr Ruslan Khashulatov, former speaker, and Mr Ilya Kon-stantinov, a leader of the National Salvation Front, both lo Lefortovo prison awaiting trial, were said by news agencies to have collected enough signatures to allow them to stand However. Mr Andrei Byeloborodov told Reu-ters that Mr Konstantinov - and presumably also Mr Khashul-atov - would be barred from standing. Opinion polls from throughout the

country show much confusion and a huge proportion of people undecided as to how to vote - though Russia's Choice usually comes out well.

However, the Communist party also polls relatively highly, as does the pro-Communist Agrarian party.

French

student

protest to

continue

By David Buchan in Paris

FRENCH STUDENT leaders yesterday called for further

demonstrations on Thursday

through Paris' Latin Quarter to

the National Assembly which

was debating next year's edu-

Elscwhere students briefly

clocked trains leaving Rennes

in Brittany and in the south

students occupied part of the

university of Aix-en-Provence.

But the demonstrations in pro-

test at what students see as the

Balladur government's neglect

of higher education did not

draw the massive support that

Mr Jean Glavany, the Social-

lst party spokesman,

denounced the government for

ahandoning the previous Socialist government's priority

for education, and described as

"laughable" the present gov-

ernment's attempts to deal

with understaffing in France's

The main problem sparking

yesterday's demonstrations

its leaders had hoped.

universities.

technical faculties.

cation budget.

after leading a protest march

# Russian candidates line up for poll Warring Tajiks slide to economic collapse

Gillian Tett reports on a second winter of civil strife in the absence of energy and hard currency

HE Tajik people do not yet have an everyday word for "economic collaose." In the coming months. however, they may need to

As Tajikistan enters the second winter of a civil war that has claimed up to 100,000 lives, out of a population of 5m, and left many more homeless, the republic, which was once one of the most pleasant in the Soviet Union, has become one of the most tragic.

As an international aid worker hased in the capital Dushanbe says: "Because the western TV cameras haven't heen here, the rest of the world has heen ignoring it. But what's happeoed here is as bad as Georgia - and in some ways parts of Bosnia as well." The current Tajik govern-

ment, stung by these comments, are at pains to point out that the worst may be over. After a year of hitter fighting hetweeo the government and opposition, the rehels have mostly been pushed south to Afghanistan, and the gunbattles confined to the border and eastern mountains.

Some 50,000 refugees bave returned to their homes, and two-thirds of the cotton crop, and most of the grain, has been salvaged.

But fighting may flare up as snow pushes the rebels down from their mountain hideouts, and a political solution is still nowhere in sight.

Even by the standards of the former Soviet Union, the battle in Tajikistan has been viciously convoluted. Although both sides have been quick to use "anti-Communist" and "anti-Islamic fundamentalist" tags, the issue at stake has not been ideology, or even nationalism, so much as regional rivalries.

seems to be the surge of stu-On one side is a shaky allidents embarking on courses this autumn in social sciences ance of the Tajiks from the Kulyab and Khodjent regions, and psychology, whose univer-sity faculties have become very beirs to the former Communist overcrowded, while many regime and the government. vacancies exist in universities' On the other side are the people of the south-west and Garm

regions, who overthrew the into ecocomic crisis. Communists 18 months ago, hut were then overthrown by Russian and Uzhek backed troops.

The government and Russians label the opposition "Islamic Fundamentalist," and claim they are supported by international Islamic groups -a claim given credence by who say not only are Afghan leaders such as Gulhuddin groups in Pakistan and Iran.

The issue is not ideology, or even nationalism, but regional rivalries

"The key to the conflict is in Afghanistan. The fundamentalists there have managed to use Tajikistan for their work," says Mr Abdulmalik Abduladjanov, Tajik prime minister.

In practice, though, the oppo-sition includes not just Islamic groups, hut also secular democrats taking refuge in Moscow, the people of Pamir in the east, which is pushing for indepen-dence from Tajikstan, and a huge number of apolitical

Mr Abduladjanov says he is willing to negotiate with the rebels. But after a year of suffering atrocities and ethnic cleansing, the rebels seem set on a revenge in arms. "We have bases across the

country and all the strength we need," says Mullah Davlat Usmon, military "minister" in the opposition, in his stronghold in Pamir.

Time may be on their side. Resentment on the part of the Khodjeotis, the former soviet era leaders, at the Kulyabis' new power is threatening the government alliance. And though the rebels are no match for the Russian peacekeeping troops stationed on the border, their guerrilla campaign is steadily pushing the country

republic covered with moun-tains. Tajikistan has never heen rich - in Soviet days it sent its cotton and minerals to Russia, receiving energy sup-plies and some 80 per cent of its hudget subsidies.

nents

However, the war has now left it critically short of energy and hard currency. The capi tal. Dushanhe, is virtually without heating, and electricity in much of the country is erratic. There is virtually no air service, due to the lack of petrol. Industrial production has slumped sharply, hy 50 per cect in Dushanbe alone. The 1993 hudget deficit is expected to exceed 50 per cent of GDP.

In an effort to relieve the energy crisis, the Tajik govern-ment recently travelled to Turkmenistan to beg the Turkmens not to charge hard currency for gas and petrol sup-plies. A deal was signed partly hecause Tajikistan controls part of the water supply to Turkmenistan - but as one Tajik minister sald: "What can

we offer them? Just fresh air.' The key effect of this crisis has been to push Tajikistan back into the arms of the Russians. In spite of speculation last year that Persian-speaking Talikistan could fall within the orbit of Iran or Turkey, the Iranian presence in the republic remains low kcy.

Tajikistan is in no position to print its own currency, and wants to remain part of the rouble zone. But with the republic unable to match the Russian Central Bank's tough new fiscal demands, Russia has refused to issue Tajikistan with any new roubles, forcing it to use pre-1993 Russian tender, now technically invalid in Russia. Inflation is spiralling and its economic isolation is

growing.
Mr Abduladjanov himself sadly concludes: "Tajikistan is rich in many resources. But to attract any investment we need stability - and that will take a while yet."

### Spanish inflation increases to 4.6%

By Tom Burns in Madrid

OCTOBER price rises pushed Spain's year-on-year "head-line" inflation up by 0.1 per cent to 4.6 per cent, reversing the downward trend of recent months, despite the country's continuing recession and high

unemployment.
However, the economy ministry said October's rise was "transitory" and stressed the fall in the year-on-year underlying inflation index, which excludes volatile energy and non-processed food prices, from 5.4 per cent to 5.3 per cent, the lowest underlying level since May 1988.

Food prices in October last year were unusually low; and kept the October 1992 rise

1 down to 0.1 per cent.

The ministry said October figures nevertheless stressed that Spain's inflation-prone economy required structural reforms to deregulate the labour market and the services sector as well as an agreement on wage restraint.

The worst figures facing the government concern unem-ployment, Registered jobless rose by 95,969 in October, the highest monthly rise since 1982, said the National Employment Institute, to total 2.6m or 17.2 per cent of the

### decision to privatise urban police forces Portuguese police accused

Some 7,000 police protest in front of the Coliseum in Rome yesterday against a government

AMNESTY International, the human rights organisation, said yesterday it had received a large number of complaints of torture and ill-treatment of detainees by Portuguese police

and prison service officers. "It is musual and highly disturbing to receive such a large number of allegations from a Euro-pean (Union) member."

It said the most common forms of alleged ill-treatment were repeated kicks, punches, kneeing, pistol-whipping and beatings with truncheons. Detainees have also reported beatings with rubber and flexible metal hosepipes. Others have claimed to have had objects forced into the anus and to have been threatened with physical - including sexual - assault.

Portugal will answer the charges in Geneva today before the UN Committee against Torture. Mr Fernando Duarte, Portugal's director of prison services, said the treatment of prisoners had greatly improved and there had been no fresh allegations of ill-treatment in recent years.

"Public service officers from all branches of law enforcement and prison services are acting

with virtual impunity - despite the Portuguese government's voluntary accession to the UN Convention against Torture in 1989," Amnesty

### **ADVERTISEMENT**

### INVESTING IN SOUTH AFRICA

### Evolving into one of the world's major emerging markets

Pieter Prinsloo, Executive Vice-Chairman of Standard Bank London Limited, talks to John Spira, Business Editor of a leading Johannesburg newspaper.

### Spira: Standard Beak has long been conducting business outlide its traditional domestic South Alrican market. What is its scope?

Prinslore Bards traditionally follow clients where they trade. We are no exception, having followed our South African clients as they developed their trading relationships with Southern and Central Africa, Europe, the Far East, the UK and the US.

Given Standard's long-standing connection with the UK, London was a logical place to establish a substantial offshore presence.

With Standard's African focus, an extension of our South African business was a priority. We were granted a full UK bunking licence less year, with the result that Soundard Bank London has now boccuse a major player in South African-elated products. The main areas of husiness include advising corporate clients on establishing new, or restructuring existing, operations in South African making parties in South African equities and books; trading in African, South American and Eastern European debt; and offering specialist trade services and treasury products.

The Group also acquired banks in Jersey and the Isle of Man and now offer tax-efficient banking, trust, fund management and stocktroking. services to corporate and private investors.

More recently, we acquired the African banking interests of the ANZGrindlays Group, which gave us unique representation in Africa.

Today, Standard Bank is one of Africa's largest and most

Today, Standard Bank is one of Arrica's largest and most sophationed banking corporations, with more than 1,000 outlets in South Africa and representation in Botswara. Chana, Hong Kong, Isle of Man, Jersey, Kenya, London, Madagascar, Namibia, Nigeria, Switzeriand, Taiwan, Uganda, Zaire, Zambia, Zimbabwe and Zurich. This, combined with our strong correspondent relationships with 2,000 banks in more than 200 countries, supports our clients in Southern Africa and elsewhere.

South Africa has been re-accepted by the world community after a section of fundamental chouse in the mature, scale and internity of

period of fundamental change in the nature, scale and intensity of world trade, so that the risks of not being part of the market are greater. We — and our clients — have to be able to compete internationally.

internationally.

As the major industrialised nation in Africa, South Africa is well positioned as the geneway to Africa for foreign traders and investors: it is a significant consumer market in its own right; and its mineral riches made it a major constitutor to world madeus.

Standard Bank has three sets of priorities; domestic, regional and

Standard Bank has three sets of priorities; domestic, regional and international — and they mesh.

Domestically, it is in our interests for South Africa in be politically stable and prosporous. This partly depends on the careful extension of domestic benking services in the developing market. Regionally, Southern and Central Africa are logical markets for our exponers, which implies strong financial services for the region. Internationally, the region will have to compare with other emerging markets for trade and invastment. As a focused regional bank with an international presence, Standard Bank is well placed to service its local and international clients.

Spira: What is the entlook for Standard Bank's global

Prission: We are a regional bank with an international presence. It is not our strategy in become a global bank, providing all services to all parties. Our focus is to support our clients who trade internationally, tasher than seeking to trade internationally ourselves. The success of the region is therefore important to its.

South Africa is a major minerals and commedities producer. It issues a strong industrial and manufacturing especity. It is an agricultural producer with a wealthy, growing, educated urban class. It has rapidly expanding retail markets supported by a highly sophisharited banking delivery system. It is an area of rapid change and considerable potential and is fast being seen by the international community as one of the world's major emerging markets.

Spirat. What are the hurdles facing South African banks operating outside their own country?

Principally, isolation, rendering it difficult for us to establish our own international presence as quickly as we would have lifed. However, with the lifting of sanctions the climate for expansion has improved significantly.

Although South African burks have been prevented from competing internationally, the financial services industry has developed internationally, the financial services which more international

standards.

Standard Bunk's capital adequacy already exceeds 10 percent, higher than the 2 percent Basle Convention recommendations. We're the only South African bank to have an international rating — from IBCA, which accorded us a rating similar to BankAmerica. Royal Bank of Scotland and Bank of Montreal.

Much of our industry is fortnotogically sophisticated, by world standards. More importantly, the South African bunking system is technologically integrated into international systems. For example, the number of SWIFT transactions from South Africa, which at 1 percent of the SWIFT total, exceeds the South American figure.

Standard Bank's strengths are derived from its South African base, its knowledge of local business and its environment and our having arranged our operations around what we know best.

Our immediate challenges are the consolidation of our Southern African and overseas network and the logistics of making it work as one.

one. In Africa, the challenges are the problems of integration, putting a stamp on the organisation, training and ensuring homogeneous systems are installed so that we can put the products and services on the shelf.

We are looking to commune our overseas expansion programme and are giving attention to building up our presence in the Par East and establishing a US operation.

### Spira: Are foreign attitudes toward South Africa changing?

Prinsion: They've been softening for some date. However, with the abolition of sanctions, the final rescheduling of the foreign debt and the admission of South Africa to the world's political and economic ferums, there's been a significant increase in international investor

Standard Back London has experienced a considerable improvement Standard Book London has experienced a considerance improvement in its business with foreign investors, largely in bonds and equities — particularly from the US.

Also, 18 foreign airfines have established new services with South Africa since November 1990 and some J8 foreign banks have established a presence in Johannesburg during the last two years.

Spira: How does the world banking commen South Africa?

Priestors What course in South Africa's favour is the demonstrable engerness to settle the debt; the impercable record on servicing interest payments, the regularity of repayment; the willingness to negotiater and the prudence in balancing national, developmental aceds with meeting debt obligations.

Since September 1985, the country has redeemed one-third of its foreign debt it's now at \$17.3 billion. Total foreign debt in CDP has alrunk in 15.1 percent in 1996. The debt-export earnings ratio is more attractive than that of all developing nations, having declined from 107 to 6.1.1 percent. The debt-export earnings ratio is more attractive than that of all developing nations, having declined from 107 to 6.1.1 percent. The debt-export earnings the first 15.6 to 10.7 percent.

There are impressive figures: they show a disciplined animale to the creditors and discipline in domestic monetary and fiscal policies. Both must go score way to fiscoustably influencing potential lenders.

The recent final debt arrangements (agreed by all the nation's major political parties), and the increase in the price of South Africa's debt in the secondary markets, are ladications of Improved foreign creditor articules.

Even so, foreign banks will be looking at the economic and political fundamentals. South Africa will be able to raise medium- and long-

term farance only as and when these issues become clearer. Spira: Will South Africa experience a foreign investment boom?

Princion: There'll be more foreign investment in South Africa than before and that investment will steadily increase. Que investors go where the returns are attractive and the risks acceptable. The perception of political risk in a period of political transition remains a

deterrent.

Forumately, the political fundamentals are looking sounder now than three years ago. The problems are now less problems of substance or achieving consensus, especially economically, than of means and fining.

The world wants South Africa's political reform to commune. The view which underprinted sanctions — that the previous regime posed a regional risk — has its corollary; that a just, democratic government.



should be supported.

We are already seeing infrastructural investment. Some of these capital projects are huge. They represent growing domestic business confidence — a precondition for foreign confidence. These projects, in some of which we're involved, are natural areas of parmership between domestic and foreign investions, international agencies and South African busits which know Southern African conditions.

The second area of investment is speculative — in South African bond and capital markets, in gifts and in equities, where Standard Bank London is experiencing growing activity.

The third is direct investment or reinvestment by foreign corporations to South African businesses for domestic markets or for exports. This is happening: in the last 18 months several motor manufacturers have become significant exporters, while other manufacturers are producing automobile enablytic converters for export. On a smaller scale, we are seeing the rapid re-entry of high-technology, food and service industries.

service industries, In all of these cases, investment is difficult without advice about proper structuring of different investment flows. Here Standard Bank London is active to advising multimational groups in their strategies for South Africa and, bleevise, in advising on outward investment by

### Spira: Is South Africa's dual currency system detrimental to foreign loans and investment?

Prinsloo: Although the financial rand attracts foreign investors, providing a mechanism by which the yield on the investment can be significantly increased, it also acts as a restraint. Its use is often subject to the approval of the Reserve Bank; its estimence adds in the complexity of the transaction; it can be volatile and illiquid.

Foreign investors would prefer a relatively free flow of funds, which counts for more than political uncertainty.

Although the authorities and the ANC have expressed a desire to scrap the dual currency system in due course, this will only occur when the political and economic climate becomes more certain.

Spira: Has South Africa the potential to achieve an economic

Prinsion If South Africa achieves its potential, it will be as a result of cinizens' hard work; a strong infinistructure; a supportive international community; and investors seeing opportunities for competitive natures

community; and investors seeing opportunities for competitive neutrus in the country. There are constraints. The relation between productivity and wage levels is distorted, But the fundamental reasons probably have to do with the structure of the society, which is changing; economic isolation, which is enting; and restents on political organisation, which have disappeared. South Africa, with its considerable mineral and commodity wealth, substantial industrial base and sophisticated infra-tructural development, has much unapped patential, it could act as a catalyst for the regeneration of the whole Southern African region. Such potential, however, won't be realised without political and social stability.

Standard Bank London Ltd. A member of SPA and the London Stock Fachungs

Standard Benk London Limited 5th Pinor, Cannon Bridge House, 25 Dowgate Hill, London EC4R2SB Tel.: (071) 815-3000 Fax: (071) 815-3097

Standard Bank of South Africa Limited andard Bank Centre, 5 Situmonds Street, Johannesburg, 2001 7st.: (JHB) 636-9111 Pax. (JHB) 636-5117

THE FINANCIAL TIMES
Published by The Financial Times
(Burope) Guildi, Mindungarpher, 1
60318 Prankfurt am Maia, Germany,
Telephone +440 at 188 September 188 18 Frankfurt am Main, Gormany, 18 Frankfurt am Main, Gormany, 18 Frankfurt am Main, Gormany, 19 1964 1969 156 850, Fax ++49 596481, Teles 416193, Represented Butward Huga, Managing Director, Inter: DVM Druck-Vertrich und

heisponer - 9 69 130 3.0, Fax - 14 69 56 956481, Teles 416193, Represented by Edward Hugo, Managing Director. Printer: DVM Druck-Vertriob und Marketing CmbH, Admiral-Rosendahistrasse 3a, 63263 New-Isenburg (owned by Hörriyet International).

Responsible Editor: Richard Lanabert, c/o The Financial Times United, Number Dan Southwark Bridge, London SEt 9HL, UK, Shareholders of the Financial Times (Europe) Ltd, London and F.T. (Germany Advertising) Ltd, London. Shareholder of the above mentioned two companies in The Financial Times (Europe) Ltd, London SET 9HL, The Company is incorporated under the laws of England and Wales. Chairman: D.C.M. Bell.

PRANCE
Publishing Director: J. Rolley, 163 Rue
de Rivoll, F-75044 Paris Cedex 01.
Telephone (01) 4297-0621. Faz (01)
4297-0629. Printer: S.A. Nood Eclair,
15/21 Rue de Caire, F-59100 Routaix
Cedex 1. Editor: Richard Lambert.
ISSN: 1SSN 1148-2753. Commission
Parinaire No 67808D.

DENMARK
Financial Times (Scandinavia) Ltd,
Vimmelskafted 42A, DK-1161
CopenhagmK. Telephone 33 13 44 41,
Fax 33 93 53 35.

Denmark

to build the bridge in 1991, but it has faced strong opposition, particularly in Sweden, because of fears it would him-



A SWEDISH court yesterday approved controversial plans to build a \$3bn (£1.9bn) road and rail bridge between Den-

mark and Sweden, but laid tough environmental conditions on the project. Sweden's prime minister Carl Bildt said his right-centre coalition, which is split on the issue, would soon take a final decision on the 17km link between Malmo and Copen-

hagen, on which construction is supposed to begin next year. Sweden and Denmark agreed

der vital salt water flows into the already heavily-polluted Baltic Sea and break international agreements on limiting vehicle exhaust emissions.

The so-called Water Court, Which rules on all projects effecting waterways, gave the go-ahead, but insisted on changes in the construction proposals drawn up by the Swedish-Danish consortium

planning the bridge.
It called for a shift in the planned site of an artificial island, tight controls on spillage from dredging, and three-dimensional computer models of the construction pro-cess to be commissioned from two independent institutions before construction went



Some seek the finer things in life. Others simply ask the butler.



ITT SHERATON LIBOURY COLLECTION

FIFTH AVENUE AT 55TH STREET, NEW YORK, NEW YORK 10022 · TELEPHIONE 2/2,753,4500 · TELEX 148368 · FAX 2/2,787,3447

# Palestinians, Israel start economic talks

By Julian Ozanne in Paris

ISRAELf and Palestinian economists were set to begin talks in Paris last night to determine economic relations between Israel and the new Palestinian self-governing authority which will take over administration of the Gaza Strip and West Bank area of Jericho next year.

Mr Avraham Shochat, Israeli finance minister, was expected to meet Mr Ahmed Qurie (Abu Ala), PLO economics chief, for the first face-to-face economic negotiations since the two sides signed the historic Israeli-Palestinian peace accord two mouths ago.

Among issues to be discussed are an Israeli proposal for a customs union and harmonisation of customs duties and taxes, rules on trade between the two entities. migrant Palestinian labour to

"autonomy", aid and develop-ment projects and currency, and banking and financial sector policies.

The meetings coincide with resumed talks in Cairo on Israeli withdrawal from Gaza-Jericho, seeking to define the territorial delimitation of "Jericho" and agree bow many Israeli troops can remain in Gaza to protect up to 5,000 Jewish settlers. The economic agreements and all matters on the withdrawal from Gaza-Jericho must be agreed in a protocol in less than four weeks.

At the beart of the Paris talks, which begin formally this morning, is the customs union. Israel wants the Palestinians to accept one, along with barmonisation of all external customs and taxes. The Palestinians have criticised the proposal, saying adopting Israel's customs duties would make consumer goods too expensive for Palestinians,

with a per capita income of \$1,500 (£993)-\$1,800, against Israel's \$13,000.

Israel has warned that if the Palestinians reject a customs union, the Israelis would have to put heavy controls on border crossings to stop cheap untaxed goods passing from the Palestinian economy into

on Palestinian exports into Israel of farm products such as eggs and poultry. The Palestinians say any such curbs would result in Palestinians taking measures against Israel's industrial exports. The Palestinians will focus their demands on winning

The Israelis also want curbs

greater access for Palestinian migrant labourers to the Israeli economy and on better terms for those workers. Israel and the PLO have expressed con-siderable scepticism about the possibility to bridging the wide gap on these issues.



complained that Israeli settlers had thrown it through his windscreen

# Japanese bankruptcies rise as demand sinks

CORPORATE bankruptcies in Japan are rising steadily, as consumer and industrial demand continues to sink, the latest economic statistics say. The number and size of cor-

porate casualties rose from September to October, but are still well down on the same period last year, two credit research agencles said vester-

day. Bankrupt companies' unpaid dehts rose 12.2 per cent to Y485.8hu (\$4.6hu) from September to October, according to Tokyo Commerce and Industry. But the total, up for the third month running, was 39 per cent less than October

Teikoku Databank, another

credit researcher, recorded a 6.2 per ceut rise to 1,258 in the number of bankruptcles, the second highest since the turn of the year.

Both agencies believe husiness collapses will worsen in the next few months because the recession shows no signs of abating. Neither survey includes the collapse two weeks ago of Maramoto Construction, the largest post-war financial failure, with debts put hy Teikoku at Y590hn. Another sign of the economy's weakness came yesterday

with a 4.5 per cent year-onyear fall in domestic orders for industrial machinery in the six months to September. Orders overall, at home and

overseas, were stagnant, op 0.2 per cent to Y3,238bn. But

that was entirely because of a rise in contracts to build oil and chemicals plants in the Middle East and sales of power generation equipment in south-east Asia, said Japan Society of Industrial Machinery Manufacturers,

Consumer spending continnes to slide, according to the Japan Department Stores Association, Department store

sales in Tokyo, a beliwether of national consumer sentiment fell for the 20th munth running in October. Sales fell by 10.4 per cent last month from October last year, said the association, with the decline taking place in all depart-

See Intercational Company News for Isetan department

### The UN decision to abandon its policing role leaves the streets to lawless clan fighters

# Bandits and gunmen retake Mogadishu

By Leslie Crawford

BANDITS and gunmen are retaking control of Mogadisbu as a result of the United Nations' decision to abandon its policing role in the Somali capital, UN officials said yesterday.

They said armed gunmen were walking the streets with impunity, "technicals" - jeeps with mounted guns - had made their first appearance sioce US Marines banlsbed them from the capital last December. Mogadisbu's Bakara market is reported to be doing a flourishing trade in weapons.

An American civilian working for the UN Operation in Somalla (Unosom) was shot dead on Saturday by robbers who stole his car. Two other UN workers were wounded.

The British charity Care International says its Somali security chief was killed by a stray bullet during a sboot-out outside its offices last week.

"Security in Mogadishu is deteriorating rapidly." Mr George Somerwill of Care international said. "There is a real risk that the capital might slide back into anarchy.

UN policy in Somalia has been in disarray since 18 US troops were killed in a battle with Gen Mobammed Farab Aideed's militias last month. Under pressure from Washington, the UN military command has given up attempts to disarm militias by force - abandoning, in effect, the first UN peace-enforcing mandate authorised by the Security Council in May, Unosom has also dropped its hunt for Gen Aideed, who

ls wanted for the slaying of 24 Pakistani peacekeepers in June.

A UN policy analyst, who requested anonymity, said the 14,000 UN troops in Mogadishu were under orders to protect themselves and avoid further loss of life. "As a result," he said. "Somalia's warlords believe the UN will not intervene in inter-clan fighting. If the UN maintains this passive military role, it might as well leave Somalia altogether.

Ald workers also report the UN's bands-off policy is emboldening bandits who have not had a chance to engage in serious looting since the US launched its humanitarian military intervention in December 1992. Food distribution and food-for-work programmes have been much curtailed. In addition to inter-clan warfare,

UN military officials believe Islamic fundamentalist groups are aiding Gen Aideed with money and arms.

Major David Stockwell, the UN military spokesman, said intelligence reports indicated "the presence in Mogadishu of an unspecified number of individuals, possibly Hizbollah fundamentalists, with expertise in car

However, non-government organisa-tions working in the capital believe these reports are exaggerated. Somalia's battle-hardened militias are not thought to need coaching in the handling of explosives. It is possible, nev-ertheless, that Cen Aldeed and his rivals are re-arming their militias with the belp of fundamentalist

in the wake of the rising lawless-

ness in Mogadishu, Mr Boutros Bout-ros-Chali, the UN secretary-general, vesterday presented the Security Council with three different options for the future of the troubled UN operation in Somalia.

The alternatives range from maintaining the present mandate and force nf about 29,000 troops, to securing only ports and airports with a scaleddown military presence. A review of Unosom bas become imperative because the US plans to withdraw its 7,500-strong contingent by the end of March, while France, Belgium and Sweden have also announced their intention to pull out of Somalia.

Mr Boutros-Chali says he has written to 42 UN member states in an attempt to fill the vacuum that will be left by the departing troops.

# Cocom: a brute turned super sleuth

David Dodwell on plans to abandon a web of controls

blocking their access to military technology, will be for-mally swept aside this week. In The Hague today, the 17

members of the Co-ordinating Committee on Multilateral Export Controls are expected to unveil their plans for a more flexible successor institution. Former targets of the Cocom regima, notably Russia and China, are likely to be invited to join the new body, with its

focus now turning to countries such as North Korea, Cuba, Iran, Iraq and Libya Iraq as a global security threat with a potential nuclear capa-bility, during and after the Gulf war, was as important in

forcing change as the dismantl-ing of the Berlin Wall. As one UK-based academic noted, this brought into sharp focus the fact that Cocom and its sister bodies dealing with nuclear proliferation, chemical weapons, and missile technology had - m their obsessive concern with the Soviet block allowed a number of militarily threatening third world countries to slip through the

They were shaken by the use of chemical weapons by Iraq in its war with Iran, and by the scale on which they threw bellistic missiles at each other; over 1,000 were fired during the Iran-iraq war.
They were also shocked to

learn - on the defection of an Iraqi engineer after the apper-ently successful Operation Des-ert Storm - of the extent of Iraq's nuclear weapons programme, and the capacity which remained intact at the end of the war.

Such discoveries have led to calls for new ways of identifying threatening activity, and of detecting potential mis-use of dual-technology goods. In prospect is a lighter-set of

nationally-enforced arrangements which will lift regulation from a large number of products on the existing Cocom lists of restricted exports. They will reduce the paper work and delay in obtaining licences where they remain necessary. But they will improve information-sharing arrangements, alerting governments more quickly to the emergence of suspicious buying activity.

At the heart of the new regime against proliferation will be demands for comprehensive export control arrangements, and effective enforce-

"In France, Germany, Japan, the UK and the US, revelations about illegal or indiscreet exports to threatening states brought public debate that led to a reconsideration and tightening of export controls," said Mr Gary Bertsch and Mr Richard Cupitt from the University of Georgia in a wide-ranging paper on non-proliferation in the Washington Quarterly. They call for a "new typol-

ogy" to deal with the more-

OCOM'S historic role of economic attrition against the Soviet Union and its allies, and of blocking their access to the social access t states, threatening states and peripheral states.

They note that while Russia is currently a collaborating state, "one can easily imagine developments that might move it into the category of sensitive or threatening states". New arrangements will need to cope with this "extreme flux".

One of the greatest challenges of the new regime will be to marshal prolifaration through former Soviet republics such as Armenia, Azerbaijan, Georgia, Moldova, Tajikistan, Turkmenistan, Kazakhstan, Ukraine and

"Most of these states are racked by internal and exter-nal conflict, and are not in a position to put export controls in place even if they intend to," the Georgia academics note. Given the pressure on them to earn bard currency hy exporting arms, and their "porous" borders with Russia,

'We will be controlling hardly anything any more

preventing leakage of sensitive technologies through this region presents the new Cocom with formidable challenges.

\*Export controls are only likely to delay the acquisition of critical dual-use technologies if a state is determined to acquire them," the academics note. "Unless the US and its co-ordinating ailies address the demand for weapons of mass destruction and dual-use technologies, and pressures to sup-ply those demands, non-proliferation policy will be incomplete."

Cocom officials are pressing for improved channels of information to identify at least four facts: the end use of any exported commodity; the location of the end user, possible sensitive applications; and possible re-exports.

matrix of suspicious information," one London-based official said. In place of Cocom. "a brutal thing that brutally succeeded", she predicted that "the new regime will be more gentle - an education process, pooling information and trying to discern patterns and trends

to detect an emergent threat". For those exporters who for decades have been frustrated by cumbersome and time-consuming Cocom licencing rules. such changes should be welcome. "We will be controlling hardly anything anymore, said the Cocom official, predicting that licences will in future be needed on just 5 per cent of those products currently on the Cocom list.

# Keating plea over Aborigine rights

MR Paul Keating, Australian prime mlnister, yesterday called on the nation to use high court recognition of Aborigines' land rights as "an opportunity to transcend the history of dispossession" for Australia's indigenous people.

In a rare televised address to the country, Mr Keating - who has taken a large personal role in negotiations between the government and Aborigine leaders over the highly-contentious native title issue - said that Australians could not ignore the matter, either

"legally or morally". However, be provided oo advance details of the government's bill on Aboriginal land rights, which is due to be introduced into parliament later this week, possibly today.

The proposed legislation follows a High Court ruling last year, which did away with the notion that Australia was uninhabited before European settlement and said native title could exist where there had heen "close and continuing"

association with the land. Despite Mr Keating's claims

that there needed to be a national standard for land rights determination, the recalcitrant Western Australian government maintained its opposition to the federal package yesterday. Western Australia is the area most likely to be affected by the land rights legislation. In theory, about 40 per cent of the state could be subject to native title claims.

Mr Richard Court, the Western Australia's premier, threatened to speed the passage of his own state's rival land rights legislation if the commoowealth denied full public and parliamentary debate on the federal legislation.

The Western Australia government has already published a bill which would extinguish native title, but recognise in law the rights to "traditional usage" of the land by Aboriginal people. Mr Court has been emphatic that the states should retain control of land management, and should not he constrained by any commonwealth measures.

# Top China meeting 'falls a bit flat

By Turry Walker in Beijing

CHINA'S just-ended Central Committee meeting was billed the most important since the 1978 party plenum which launched the country's reform drive, but a bland communique issued after four days' talks provided little substance.

The tone of the communiqué, which contented itself with repeating well-established positions, has fuelled speculation about divisions in the leadership over the pace and scope of economic reform.

Delays in releasing a promised 50-article manifesto of reform suggest further discus-

of detail in the statement and the conspicuous absence of

supporting documents.

A Westero official in Beijing said the much-heralded third plenary session of the 14th Central Committee appeared to have "fallen a bit flat." There appears to be "quite a lot more sorting out to do," the official

Among contentious issues debated in closed session by the 182-member committee were those dealing with a new federal-style tax regime to

sion is required, bence the lack reform of faltering state enter- unemployment and social prises to facilitate a process of corporatisation and privatisa-

> Both these issues are certain to have produced some sharp exchanges among China's rulers. Provincial leaders are wary about allowing Beijing to strengthen its grip on the purse strings through far-reaching reforms of the tax system.

A state enterprise lobby is nervous about proposed reforms of the public sector, fearing that additional presdivide revenues between the centre and the provinces, and a will drive many into hankre-definition of the limits on ruptcy and cause widespread

Many officials also owe their party status to their associa-tion with industries which are having difficulty adapting to the demands of a market economy. These officials are fighting to preserve their fieldoms. Western officials say it is

premature to judge the importance of this latest party plenum until supporting docu-ments have been released, but they add that the delays show there are significant pockets of resistance to the reformers such as Mr Zhu Rongji, senior vice-premier in charge of the

# UK generating group to sign India power station deal

NATIONAL Power, the UK generating company, and Ashok Leyland, the Indian operating company of the Lon-don-based Hinduja trading company. are due today to sign a memorandum of understanding for a Rs30hn (£645m) power statioo project in india. The agreement is expected to be a commercial highlight of a two-day made the trip partly to promote Indo-British trade and investment. The UK and India have put a high

priority on strengthening commercial links since Mr John Major, British prime minister, visited Delhi earlier this year, and together with Mr PV Narasimha Rao, his Indian counterpart, launched the Indo-British Partnership Initiative, a forum for boostvisit to India by Mr Douglas Hurd. ing husiness ties.

Mr Hurd yesterday met Mr Rao and nther ministers and discussed sub-jects including economic ties and the troubled northern Indian state of Kashmir. He also exchanged documents for the ratification of an extra-

Today Mr Hurd is due to travel to Bombay, India's commercial capital. where he planned to address an audience of leading British and Indian businessmen aboard the Royal yacht

dition treaty.

help promote a week of British-linked business events in Bombay. The agreement between National

Power and Ashok Leyland is for a 1,000 MW coal-fired power station at Visakhapatnam in the central Indian state of Andhra Pradesh. The project is one of 46 which private investors have put forward since the Indian government last year opened up the power sector to private capital in an

effort to alleviate widespread electric ity shortages.

However government officials and the promoters of various projects have yet to settle important issues such as the terms of agreements for financing, fuel purchases and electricity sales.

While National Power and Ashok Leyland have mada more progress with their scheme than many others, the project has still to be finalised.

WHO CAN I TURN TO FOR HELP IN **SOLVING SAFETY & RELIABILITY** PROBLEMS IN MY COMPANY?



	To find out how AEA Tech engineering expertise can h us.now or post the coupor Freepost, 85528/97, Aristol 8	elp your business, call
	HAME DRAWMARSANS	
	PORBLAME	
	POSTICIL	
	COMPANY NAME	
٠:	ADDRESS	
	POSICOU	E
•	THE MICH CODE	
	APPROX MUMBER OF EMPLOYEES	
	Please indicate which you an	e most interested in:
	13 SWINOMERIAL PROFECTION	COMPACTRAD .
	13 MANUFACTURING TROMICLOGY	PLANT PENFORMANCE
	SAFETY MANAGEMENT	WASTE MAKAGEMENT
٠.		DECOMPRESSORANG
	COLER MONGEMENT	MOJECT ENGINEERING
	WINES	CTACK'S

AEA Technology 7 0272 768 976

51 ٧a (60

# We don't just support THORP. We need it.

In June, we ran advertisements in the British national press to make clear our support for The Thermal Oxide Reprocessing Plant at Sellafield.

We also urged the UK Government to give THORP the go-ahead without further delay.

So far, there has been a great deal of misinformation, much of it calculated to imply that THORP's customers no longer support the project.

As ten of these customers, we wish to refute this unfounded assertion.

Japan has set out its basic policy of retrieving plutonium through the reprocessing of used nuclear fuel and using it again, both for the purpose of economical usage of uranium resources and for securing a stable energy supply.

This is a fact.

7

Our Minister of State, Mr. Eda, said as much when he spoke at the general meeting of the International Atomic Energy Agency (IAEA) in Vienna this September:

"Not only for the countries scarce in energy resources like Japan, but also for the global and long-term energy security, the nuclear fuel recycling to facilitate plutonium utilisation is an indispensable option."

Reprocessing is essential to this recycling process. What is more, it has two further advantages.

Firstly, it reduces the overall amount of high level waste. Simply storing spent nuclear fuel means that *everything* must be treated as high level waste – uranium, plutonium and waste products – because they are all jumbled together.

What THORP will do is to extract the uranium and plutonium which together represent fully 97% of the spent fuel. The remaining 3% (fission products) will come out of the process as waste which can be dealt with far more easily than the original spent fuel as it is.

Secondly, recycling the uranium and plutonium recovered by reprocessing is the most efficient way of using these resources.

Indeed, despite rumours to the contrary, Japan needs the reprocessed plutonium and uranium which THORP will provide.

All Japanese plutonium recovered will be utilised for research and development activities, including our fast breeder reactor, and as mixed oxide fuels in our conventional light water reactors.

Fears that our plutonium will be used for other than peaceful purposes are similarly unfounded.

Japanese law stipulates that nuclear power can only be put to peaceful uses.

All nuclear material, including plutonium, would be strictly controlled by the British Government, Euratom and IAEA in the United

Kingdom, and by the Japanese Government and IAEA in Japan.

So, having established the need for reprocessing, the real question is, what is the best and safest way to achieve it?

The answer is unequivocally THORP.

We have the highest regard for the way the plant has been designed and built. BNFL has the highest possible standards of safety in both shipping and handling nuclear material.

We have backed this belief in strict, long-term contracts with British Nuclear Fuels: contracts we have no intention of breaking.

What is more, we have already sent them significant quantities of the fuel they will be reprocessing for us during the plant's first ten years of operation. It's sitting safely in deep ponds at THORP.

The fuel is there. The demand is there. The contracts are there. At best, it is mischievous to claim otherwise.

Far from losing our enthusiasm, we regret the delays which continue to be caused by pressure groups who are simply determined to end the use of nuclear power worldwide.

The fact is, THORP is ready. And so are we.

Once again, we urge the UK Government to give it the go-ahead as soon as possible.

### THE TEN JAPANESE ELECTRIC POWER COMPANIES

K. MATSUNAGA Н. ҮАМАМОТО T. KAWAI S. NASU M. TANI S. KOBAYASHI K. MATSUTANI M. OKABE T. AKEMA K. TODA Chairman Chairman Chairman Chairman Chairmar Chairman Chairman Chairman Chairman TOHOKU TOKYO CHUBU HOKURIKU KANSAI CHUGOKU SHIKOKU KYUSHU JAPCO HOKKAIDO **EPCO** EPCO **EPCO EPCO EPCO EPCO** EPCO **EPCO EPCO** 

For details contact: Overseas Reprocessing Committee, 6F NTB. M. Building, 2-9 Shimbashi, 2-chome, Minaro-Ku, Tokyo 105.

### By Alexander Nicoll, Asia Editor

ASIA Pacific Ecnnumic Cn-npsration, the grouping holding its annual ministerial meeting in Seattle this week, was founded four years ago at the suggestion of Australia. Its aim is to increase multi-

lateral co-operation in view of the economic rise of Pacific nations and growing interde-pendence within the region. The US was keen to head off any mnyes to create Asian groupings from which it would be excluded.

This year, for the first time, leaders of most member states will attend an informal summit at the invitation of President Bill Clinton after the ministeria meeting is concluded.

Original Apec members were Australia, Ceneda, Japen, South Korea, New Zealand and the US, together with the six members of the Association of South-east Asian Nations: Brunel, Indonesia, Maleysia, the Philippines, Singapure and Thailand. Two years ago, China, Hong Kong and Taiwan were admitted simultaneously. Other countries, Including Papua New Guinea and Mexico, are seeking to join. Chalrmanehip of Apec is

held for a year in rotation. After the Seattle meeting, the chalwill pass to Indonesia. This year, an Apec secretariat was set up in Singapore with an executive director

whose netionelity will also change annually. Apec also has 10 working groups covering data in investment and trade, trade promotion, investment and industrial science and technology, human resources development. energy co-aperation, marine resource conservation, telecummunications, transpurt,

### Apec meeting shows importance to Washington of economic security issues, says Christopher

# US reassures Japan and China on Asia policy

THE US yesterday assured both Japan and China that they remain central to US policies in Asia in spite of current difficulties.

At a press conference prior to his departure for the Apec summit in Seattle, Mr Warren Christopher, the secretary of state, also asserted that the US "remained unyielding" in its determination to retain its current security posture in the region. The Apec meeting itself, the secre-

important but first step towards a more open liberal trading regime." This, he added, would take time to evolve but was another indication of the administration's elevation of economic security issues to the front rank of foreign policy priorities. Mr Christopher reassured Japan that it remained "the cornerstone of our Asia-Pacific policy". While he

described the current Japanese bilat-

eral trade surplus as "unacceptable",

he said the US goal was to place

and co-operative basis that characterised other aspects of the relation-

Similarly, on China the US wanted "a comprehensive relationship that permits resolution of differences in a broad strategic context".

Nevertheless he also again warned China "of the need to make early progress on the human rights front" if the annual battle over the renewal of most favoured nation trading status was to be avoided.

• The US yesterday called on Pacific countries to co-operate in a programme of simplification and armonisation of customs regulations in order to reduce obstacles to trade, Alexander Nicoll reports from

Mr Ronald Noble, assistant treasury secretary for enforcement, told a customs-trade symposium that such measures would not undermine national sovereignty. They would recognise that Asia/Pacific countries, although they had differences,

unites us than divides us." The sympostum was being held by Asia Pacific Economic Co-operation. the 15-member grouping which holds its annual ministerial meeting in Seattle this week, to be followed on Friday and Saturday by an informal-

summit of Apec leaders.

Mr Noble called for a four-part pro-• Repeal obsolete laws so that customs procedures conform with cur-

areas such as safety and packaging in which national laws often create barriers designed to protect domestic markets. Such standards would ensure that legitimate health and safety concerns were still protected. Co-operate on systems procedures and data exchange.

 Work together to eliminate trade fraud in areas such as counterfeit trademarks and faisification of country of origin to evade Multi-Fibre Arrangement quotas.

# Apec: proportion of world trade SOLITH KOREA CHINA V D /OTAWAN THAILAND 3.6 314,395 3.0 314,395

# Spectacular rise in regional trade

THE gathering of Pacific leaders and ministers in Seattle this week underlines the growing economic importance of Asian countries for the rest of the world and for one

Not only has trade of Asian countries with other regions of faster than elsewhere, the acceleration of trade by Asian countries with one another is speciacular - albeit from a low base.

Meanwhile, investment has poured into the region - with China. Again, investment by Asian countries in their neighbours has been increasingly important, first with more advanced countries such as Japan, South Korea and Taiwan shifting their manufacturing capacity to South East Asia, and now with all regional countries - and espe-cially their ethnic Chinese communities - investing in China.

According to World Bank. figures, the growth of exports from the US and the European

cent and 10.1 per cent respectively in the years between 1981 and 1991. These rates were well above the 5.5 per; cent average annual growth in overall US exports and 5.2 per cent growth in exports of EC

In return East Astan/Pacific countries increased their exports to the US by 7.8 per cent and to the EC by 9.4 per cent annually. The growth of trade between East Asia/Pa cific countries was much higher at an average 14.3 per

The growth of East Asian economies has pushed up income per head to an average \$650 (£430) compared with this figure masks wide gaps, with some countries overtaking industrialised nation in GNP per capita while others are still very poor.

· Economists at international financing institutions say that despite Asia's economic rowth, poverty still remains the region's number one problem. It will take many more years of rapid growth, and

# Beijing responds to Clinton's change of approach

Seattle meeting reflects China's delight that the US is to stop preaching and start talking, reports Alexander Nicoll

HAT Mr Bill Clinton and Mr Jiang Zemin should meet this week on friendly terms is a remarkable turn of events which could help to end a turbulent period in Sino-American relations. Deep divisions will certainly remain between the US and Chinese presidents on issues such as human rights and trade. But Beljing's welcome for Mr Clinton's abrupt decision this autumn to stop preaching to China and start talking instead has set the stage for a possible less-

The two men are due to meet in Seattle at the end of the week during the Informal meeting of Pacific leaders which follows the annual ministerial gathering of the 15-member Asla Pacific Economic Co-opera-

tion group. The rapid growth of China's economy, trade and investment is a cen-tral element of the development of the influence of the Asia/Pacific region. It is raising China's status as a world power and attracting massive interest from US companies, which could suffer heavily from a sharp deterioration of relations. Such a worsening seemed well under way as little as three

months ago. Relations have been tense since Washington Imposed sanctions on Beijing after the June 1989 massacre of demonstrators in Tianannien Square by Chinese troops.

President George Bush pursued a minimalist approach to China pol-

icy which both irked Beijing and failed to satisfy either the US critics of Chinese human rights policy or

As part of his failed hid for reelection, he allowed the sale of military aircraft to Taiwan in order to preserve American Jobs.

Mr Clinton, who had pledged to stop "coddling" Beijing, faced con-flicting demands. On the one hand, the human rights lohhy expected him to fulfil his campaign promise by revoking China's Most Favoured Nation trading status. On the other, a large number of American experts on China in academia, the military and business saw it as vital to US interests to develop a hroader and

more constructive relationship with

Mr Clinton proceeded to make a series of moves which angered Bei-

He placed conditions on MFN renewal in 1994 including "overall, significant progress by China" in human rights. In particular, he wants to see progress towards implementation of a joint memorandum aimed at preventing exports of goods manufactured in Chinese prisons, and passports being made who are entitled to them. China rejects any linking of trade and

human rights. Washingtoo slso Imposed sanctioned on Beijing over alleged sales of missiles to Pakistan, and then shadowed a Chinese ship which it suspected of carrying poison gas ingredients to the US. An inspection found no trace and China demanded an apology.
Other factors in the deterioration

included US opposition to Beijing's unsuccessful hid to host the 2000 Olympics, and China's arrest of dissidents and journalists, its failure to

re-admit a dissident, and its explosion of a nuclear device in defiance of US requests not to carry out fur-

ther testing. Then came Mr Clinton's about-face, which followed a review of policy led by his national security adviser, Mr Anthony Lake. Since October, US officials have heen talking of the need for "engagement" with China. A cabinet member as well as senior human rights, trade and defence officials have visited Beijing and

S officials say the aim is not to reduce US pressure over human rights, nuclear proliferation and trade but to make them part of a broader relationship in which efforts are made to build trust and understanding.

Mr Mike Espy, the agriculture secretary, said in Beijing: "Yon can't preach and criticise standing 7,000 miles away. You have to engage on a more personal level. I assured all the officials with whom we met that the visits to China by the Clinton administration at very

high levels would increase." China has responded positively to the US initiative. Mr Jiang accepted Mr Clinton's invitation to Seattle. and China has termed the bilateral

premier, said that a mesting between top leaders of the two countries itself is a good thing and is of great significance." The latest sign of détente came last week when Mr Qian Qichen, foreign minister, said China was prepared to discuss allowing the

meeting a summit. Mr Li Peng, the

Cross to visit Chinese prisons. The US State Department responded: "Access to Chinese prisons by the ICRC would certainly be an important factor in determining whether or not there has been overall significant progress in human rights." Meanwhile, the US is considering whether to cancel the sanctions imposed over sales to Pakis-

US officials caution that Mr Clinton still faces pressures which could force him to revoke MFN, despite the consequences for US trade and

talks with Beijing on individual issues, particularly over trade, cou-pled with the overall visible improvement in social conditions in China, have to be set against strong feelings in Washington about

A US official says: "Lots of congressmen do believe that this [MFN] is not the right instrument to use. But Clinton is a domestic president and he would not but his domestic programmes at risk for foreign policy considerations when the result would be to lose the support of significant numbers of members of Congress."

However, both US and Chinese officials believe sufficient groundwork has been dooe, albeit in a short time, for this week's meeting to mark a new phase of a long-standing love-hate relationship. Mr Wn Jianmin, Foreign Min-istry spokesman in Beijing, says: "We believe that to address the differences between China and the US it is necessary to increase contacts. The difficulties should not hamper

### **WWF** seeks top role for environment

THE WWF-World Wide Fund for Nature yesterday called on the Apec summit to ensure any new trade arrangements reflect environmental considerations from the start.

Addressing environmental degradation as an afterthought was short-sighted, as had been amply demonstrated by the North American Free Trade Agreement and the the Swiss-hased environmental

organisation said . Nafta negotiators were obliged to negotiate sub-optimal side agreements later and these "remain a source of dispute". Uruguay Round negotiators "have frequently claimed the initial omission of environmental issues cannot be rectified later", according to Mr Charles . Arden-Clarke, WWF policy analyst. The WWF is urging Apec to seek ways of making trade and environment policies mutually supportive, as agreed at the UN "Earth Summit" in Brazil last year.

Resist Washington pressure for managed trade, Tokyo urged

Paris woos farmers with more aid

# Brittan warns Japan, US

SIR Leon GAI Brittan, Europeao Commisdent, warned yesterday that any agreement between Japan and the US that sought to increase market share of to be at the expense of the EC and called on the Japanese

government to resist US pressure for such managed trade. "We would be very conthat would guarantee increases in market share because... sion by accepting tarification that could only he at the of its rice market and impleexpense of the Community,"

By Michiyo Nekamoto in Tokyo Japan to accept market access targets for US and other foreign companies in specific mar-kets in Japan. US proposals on increasing market share in vehicle parts, in particular, call on Japan to set specific targets for oon-Japanese US parts

makers. Even where such targets may in principle be aimed at increasing market share for all foreign companies, giveo the relationship between US and Japanese industry, such agree-ments "will arouse suspicion that it is intended to benefit the US", Sir Leon said.

Sir Leon also renewed pres-sure on Japan to help bring the Uruguay Round trade negotiations to a successful conclumenting in full a market ir Leon said. access package agreed this regarding rice. Although no the US has been pressing summer by the EC. Canada, such proposal was actually put

Japan and the US.

In meetings with top Japa-nese officials, including Prime Minister Morihiro Hosokawa in Tokyo, Sir Leon said it would be difficult for Japan to seek exemptioo from tarification of its rice market.

Recently, however, speculation has been growing in Japan that the government is preparing a compromise deal on opening up the rice market that would call for a six-year moratorium after which Japan's rice market would be gradually subjected to tarifica-

Sir Leoo himself was confideot a compromise could be found on opening up Japan's rice market which would satisfy the oeed for tarification while taking into consideration special Japanese sensitivities

to him by the Japanese author-lties, "I do not believe that... is impossible to resolve," he

With regard to progress on the Uruguay Round, Jepan still needed to implement cuts in peak tariffs on goods including leather, textiles and processed foods which were agreed in Tokyo in July by the US, the EC, Canada and Japan, to a market access deal aimed at pushing the stalled trade talks

Nevertheless, Sir Leon was "satisfied that Japan does have a genuine sense of urgency and recognised the need to make a hig effort in bringing the Uruguay Round to a suc-cessful conclusion, he said. Sir Leon also called on Japan to play e role in a regular dialogue between the EC and Europe is very keen to have.

### 'Chaos' if Uruguay **Round fails**

By Tony Jackson in Harrogate

THE failure of the Uruguay Round next month would mean "briking chaos". Mr Peter Sutherland, director-general of the General Agreement on Trade and Tariffs, said yesterday. In a speech to the British CBI conference

in Harrogate, Mr Sutherland warned of a return of the economic conditions which provoked the 1930s depression and the second world war. The deadline of December 15 was final Mr Sutherland said. "When I say the end I mean tha end. No further chances are

going to be offered negotiators and world leaders this time. The political and legal Railure in December would not mean the status quo being maintained in trade

policies or growth, he said. "We will be on

a very slippery slope indeed, and there will be no multilateral system of sufficient weight and credibility to stop the world sliding into a mire of protectionism and lost economic opportunity.
"I fear that it would provoke the kind of tensions which led us in the late 1920s from economic nationalism through high tariffs and competitive devaluations in the

Great Depression of the 1930s. Some say

these tensions led us ultimately into the

second world war." Mr Sutherland appealed to the US and European Union to give a lead. "They have been lecturing the world since the last war," he said. "It is perhaps an irony that they are the ones we have to call upon to deliver the [Uruguay] Round today. The



Gatt chief Peter Sutherland: evoked memories of depression and war

By David Buchan in Paris

THE French government on top of the government's yesterday moved to soothe its farmers' anxiety about the impact of a possible Gatt trade deal by granting them an extra FFr1.5bn (£170m) in aid next

pensions for farmers, comes plan to increase its 1994 agriculture budget by FFr3bn to

Government and farm union officials denied it was a pay-off

charges and increased Blair House farm trade accord with the US. They stressed that the aid was designed to help French farmers adapt to the European Union's earlier reform of its commoo agricul-

tural policy. But the farmers' unions have year. for French farmers agreeing to been remarkably docile since
The extra aid, which will scale down their demands for September when France's take the form of lower welfare revision of the controversial European Union partners parbeen remarkably docile since

tially endorsed Paris' demands for change in the Blair House This has left observers puzzied as to whether the farmers

really believe the government

will stand in the last ditch

with them over Gatt, or

whether they have come to

regard concession by France as

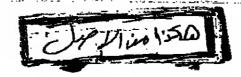
developing world now seems convinced of

the need for an open trading system.
"The EU and US have to recognise that purely domestically enforced anti-dumping rules without any oversight or objective control is a slippery slope to unilateralism and the law of the jungle. If that's what we want for international trade, we will pay a heavy price."

Tomorrow's US Congress vote on the North American Free Trade Agreement was important for Gatt, he said. "Beyond

the immediate economic consequences for the three countries involved, the potential knock-on effects of a loss of Nafta would not be good for the Uruguay Round. If the protectionists taste blood on Nafta on one side of the Atlantic, is there not a risk that it would incite those on the other, and even further afield?"

He rejected calls for a compromise by which the most contentious areas such as agriculture could be left on one side.



# Mexico cuts 1993 growth forecast

MEXICO'S government has cut its estimata for economic growth this year to just 1.1 per cent, while forecasting 3 per cent expansion next year, according to figures released in

the annual budget. The budget sets out a conservative macro-economic policy for the year ahead, geared towards achieving the modest pick-up in growth and a 5 per cent inflation rate. The budget expects inflation this year to end up at 7.7 per cent .

The government plans to run a balanced hudget in 1994, from an expected surplus of 1 percent of GDP this year, and says monetary and exchange rate policy will continue to be directed towards price stabilisation. Net debt as a proportion of GDP is expected to fall below the current level of 21

The forecast for this year's growth is lower than most private sector estimates, and suggests the government expects the sharp slowdown in the second quarter to have continued \* 5e

The government blames the weak growth on industrial restructuring that Mexico's private sector is going through in order to compete in world mar-

The government said that with or without the North American Free Trade Agreement. Mexico's opening to trade would be maintained and consolidated. It claimed that the impact of the agreement would only be felt in the long term, although most economists expected approval of the treaty to increase short-term

This year's low economic growth helped contain the cur-rent account deficit, which is expected to reach 5.4 per cent of GDP this year, or about \$19.50n. Next year, the current account deficit is forecast to fall to 5 per cent of GDP, in absolute terms a little more

than this year. Mexico's development banks have been given permission to issue \$5bn of net debt next year. Overall, the government said it would seek to diversify sources of foreign debt next year, and improve terms of

# Argentina's president eyes a second term

Mr Menem's hope of changing the constitution has come a step closer, says John Barham

has improved President Carlos Menem's chances of standing for re-election when his term ends in

July 1995. Mr Menem signed an agreement at a Sunday evening summit with his predecessor Mr Rául Alfonsin, now leader of the opposition Radical party. In return for Mr Alfonsin's promise of Radical support for a lifting of the ban on successive presidential terms, Mr Menem will abandon a plebiscite scheduled for next Sunday on constitutional reform.

Opinion polls say the government would have taken 65-68 per cent of votes, leaving the Radicals with another crushing defeat, their fifth since 1987. Despite the disastrous end to his 1983-89 term as president, when hyperinflation forced him from office five months

DEAL with an old rival early, Mr Alfonsin remains the only Radical leader of national stature. He clearly hopes to be the candidate to challenge Mr Menem in 1995.

The Peronists dominate the Senate, which has already voted two-thirds in favour of changing the constitution. But the Peronists lack a majority in the lower chamber of deputies, making an agreement with the Radicals essential. The salient points of the

to allow re-election of the president for a second term. The six-year term to be cut to four Creation of a "co-ordinating

· Changing the constitution

minister" - or prime minister - as link between government and congress. The minister could be removed if Congress passes a no-confidence motion. Mr Menem yesterday said he



Alfonsin: national stature

would offer a Radical this job. Greater independence of the judiciary. Selection of judges to be by independent panel, not hy government. Opposition pol-



Menem: to drop plehiscite

iticians would head semi-autonomous bodies like the audit office, whose independence would be entrenched in the

 Curbing the president's right to issue decrees with Reform of the constitution

along these lines is far from a

Mr Alfonsin must still deliver the Radical vote he promised Mr Menem. Assuming this happens, elections must be held for the constitu-ent assembly that would write the new constitutional text. Some observers worry the assembly could declare itself sovereign and exceed the terms

of the Menem-Alfonsin accord. Mr Menem's unquestioned control of the Peronist machine ensures he would be its candidate in 1995 and his current high standing in the polls would make him almost assured of a second term. Furthermore his deal with Mr Alfonsin may further divide the already fractured and

demoralised Radicals.

Radicals say the agreement could actually strengthen their chances of victory in 1995. Some believe the government's cies will unravel soon, making Mr Menem an easier opponent Mr Eduardo Duhalde, governor

29

of Buenos Aires province. Younger Radicals hope another electoral defeat would sweep Mr Alfonsin's old guard from the scene, allowing a younger generation to win the 1999 elections.

The husiness community is divided. Some say Argentina's political immaturity requires Mr Menem to stay in office until 1999 to maintain eco-

Others want a smooth handover to a new administration that would maintain his eco-

# Puerto Rico seeks to strengthen its US links

Puerto Rico

MR Miguel Hernandez Agosto, leader of Puerto Rico's opposition Popular Democratic party, is to ask the US Congress to expand the island's "commonwealth" link with the US, hy increasing tax incentives for industry, removing limits on food stamps and imposing tar-

iffs to protect agriculture. This follows Sunday's referendum in which Puerto Ricans

indicated by a slim margin that they favoured an enhancement of their current quasi-colonial ties with the US, rather than becoming the 51st state of the union. Political independence was soundly rejected. Figures published yesterday

by the State Elections Commission indicated that the commonwealth option received 48.4 per cent of the 1.7m votes cast. statehood was supported hy

The result was a sethack for Mr Pedro Rossello, the island's governor, whose incumbent New Progressive party advocated statehood.

The people have spoken on status and I heed the result," Mr Rossello said. "It was my commitment to hold this plehiscite, and I assume full respon-sibility for Its results." The governor said he would pursue his government's programmes hased on the mandate he received in last year's election.

Mr Agosto said he would hegin negotiations soon with congressional leaders in Washington to extend and make permanent tax incentives which have brought mainland manufacturing companies to the island, but which are subject to frequent review and changes in

The PDP leaders will also seek a statement from President Bill Clinton defining the "uniqueness" of Puerto Rico's current status. Saying Puerto Rico was a territory of the US. President George Bush rescinded an executive order hy President John F Kennedy which allowed special treatment for Puerto Rico.

Puerto Rico is officially described as having a "freely associated" relationship with the US. Puerto Ricans are US citizens, hut cannot vote for a president and do not pay federal income tax. The island's representation in Washington

legislation. Mr Rossello claimed that the

advocates of statehood had scored a victory in the referendum, hecause they had "hrought the ideal nearer, closer to becoming reality". He said that in the 1952 referendum statehood was supported hy 12 per cent of Puerto Ricans, rising to 39 per cent in the 1967 vote, and had almost

# Computer rubs out pencil in US exams

By Lisa Bransten in Washington

THE trusty "number two" pencil, the one common bond among applicants for US higher education, took a step towards oblivion yesterday when the nation's largest exams administrator said applicants for advanced degrees could take their admission exams on

Nearly 400,000 students a year take the Graduate Record Exam, which is required for admission to most university graduate schools in the US, except for business, medical and law courses. Plans are also under way to comput-

for first degrees, but this is not expec-ted to be available on computer before the turn of the century. The delay is hecause of the logistical problems involved in administering the test to around 1.3m students who take it every

By 1997, when the GRE will be available only by computer, aspiring graduate students will also be able to forgo the experience of sitting in a huge room of stressed fellow students.

Instead, students will schedule appointments and take the exam in

erise the Standardised Admissions Test small groups, according to Ms Charlotte required for undergraduate admission Kuh of Educational Testing Service, the private company that develops and administers both the GRE and the SAT.

The computer tests are adaptive, meaning that questions get increasingly difficult as students answer them correctly. This will allow better students to earn higher scores and move through the test quickly, skipping over easy questions.

The adaptive tests will allow students to write a short essay or complete a more difficult maths section in addition to the existing sections - verbal, quantitative and analytical reasoning.

Ms Kuh said she hoped the new test would eliminate some of the advantages of students able to pay for expensive preparation courses, but companies providing such courses are rushing to

develop new strategies. As many as 26,000 students pay \$695 each to take test preparation courses at either Kaplan Educational Centers or the Princeton Review.

Mr Robert Cohen of the Princeton Review, with \$10m in sales annually, said It was ridiculous to think a new test could make his services obsolete. He said his company already had a programme grared for the computer test.

# Strike starts in Bolivia

BOLIVIA'S trade unions began an indefinite national strike yesterday to protest against plans to eliminate thousands of government jobs, Reuter eports from La Paz.

The Roman Catholic Church. acting as a mediator between the government and unions, said after last-minute talks on Sunday night there was still a chance of resolving the conflict. But the government told the unions to call off the protest, saving it would not negotiate while the strike was on.

The strike is the worst conflict between workers and the government since the centrist government of President Gonzalo Sanchez de Lozada took

over in August. Union officials said miners, railway and health workers and teachers had joined the strike, which hegan at midnight on Sunday. But transport in La Paz, as well as shops, banks and private industries, were all working. Four earlier protest strikes called by the union confederation, COB, failed to paralyse the country. Mr Sanchez de Lozada, a wealthy husinessman who criticised the former centre-right government of President Jaime Paz Zamora for economic drift and corruption, has announced plans to fire 10,000 of the country's 220,000 state employees. Another 70,000 state workers

are due to he gradually removed from the payroll over the next few years. Union leaders were due to

meet late vesterday to decide

whether to continue the strike.



WITH OUR FINANCIAL STRENGTH, YOU'LL BE GLAD WE'RE ON YOUR SIDE. On the tough playing field of international business, you need all the leverage you can get. That's why AIG's strength and stability are so important. We're one of the world's strongest insurance and financial services organizations, with over \$13 billion in shareholders' equity and \$17 billion in general insurance net loss and loss adjustment reserves. Our record of profitability is unsurpassed in the industry, and we hold the highest ratings from the principal rating services. The AIG Companies have the capacity to serve your needs through all kinds of market conditions. We're ready to throw our weight behind you,

WORLD LEADERS IN INSURANCE AND FINANCIAL SERVICES. American International Group, Inc., Dept. A. 70 Pine Street, New York, NY 10270,

By Paul Cheeseright

SHARP differences of approach to pulling the European Union economies out of recession and putting in place policy for ensuring future growth are emerging between British business and the European Com-

Sir Michael Angus, president of the Confederation of British industry, told its annual conference in Harrogate that "To make European husiness more competitive we need to make labour more flexible, reduce over-regulation - especially from Brussels - and scale down the burden of so-called social costs which industry has

The differences will crystal-lise soon when the Commission presents the main points of its long awaited paper on growth, competitiveness and employment to EU economy and finance ministers. The Com-mission thinks that the British approach lays toc much emphasis on cutting costs. "Europe's long term strategy

BRITISH Telecommunications yesterday stepped up its campaign against what it called the "grotesque" proposed link-up between the world's three largest telecommunications operators, Roland Rudd

Mr Iain Vallance. BT chairman, made his most outspoken attack yet on Project Atlantic. the putative alliance between France Telecom, Dentsche Telekom and American Telephone and Telegraph. "I trust

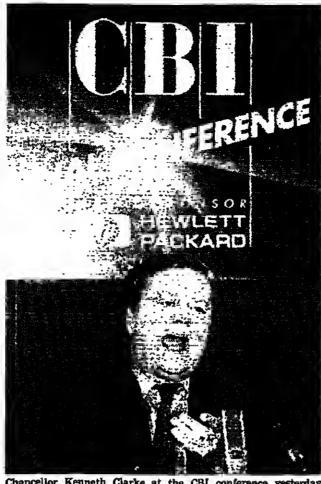
cannot be one of competing solely on costs. An effective long term policy to generate growth and employment must be geared also to increasing productivity" said Mr David Williamson, secretary general of the Commission, speaking for Mr Jacques Delors, the

The differences presage fur-ther political difficulties for the UK in its talks with EU memand the CBI have a close ideuthat the European Commission will have no truck with this grotesque proposal," be told the empoloyers' conference.

BT later said it had had a series of meetings with senior officials at the commission's competition directorate, to protest against the proposal to create what it described as "the biggest lelecommunications monopoly in the world". Mr Vallance plans to meet Mr Jacques Delors to press BT's case.

Speakers chastised the Commission for what they saw as over-regulation and for failing to ensure that regulation is not uniformly applied country by country.

In a ohvious reference to UK government uneasiness about future European economic integration, Mr Williamson warned the CBI that "future increases in prosperity will not be generated by focussing only



### on cyclical or immediate concerns or hy adopting increas-ingly inward policies." Chancellor Kenneth Clarke at the CBI conference yesterday

NEARLY 500 Lloyd's Names yesterday won £1.77m in comensation for their insurance offered by the Aragorn Agencies and its errors and omis-

Under the offer Aragorn and

awards for negligence, acknowledged that the Names should not have been responsihie for 83 per cent of the losses incurred on one particular contract underwritten by Aragorn syndicate 384.

"This is a significant success," said Sir Michael Bunbury, chairman of the Aragorn Action group, which represents 494 of the 633 Names - individ-

Separately, during the opening day proceedings of a court action against four Names. Lloyd's denied it owed a contractual duty to Names to act in good faith.

meet insurance losses Mr Michael Freeman, the

solicitor representing the four Names, described the admission as "both surprising and startling". He said it contra-dicted statements by Lloyd's in other legal actions against

A spokesman for Lloyd's said last night that Lloyd's was "attempting to find out what duties to Names are to be con-

# Schools set to raise funds by mortgages

By John Authors

SCHOOLS in England and Wales are to be allowed to mortgage their huildings to raise funds under plans cur-rently being prepared by the Department for Education.

According to Whitehall officials, Mr John Patten, the edncation secretary, and Mr Step-hen Dorrell, financial secretary to the Treasury, are in negotia-tions to allow the extre

At first, only schools which have opted out of local education authority control will be able to use the facility. Buildings of maintained schools are still officially owned by local authorities. More than 1,000 schools have opted out so far.

However the government is understood to want to extend the move to local authoritymaintained schools, and is considering proposals to remove grant-maintained schools funding from the public sector borrowing requirement.

Plans have not been finali-sed, but announcement could be made within weeks. The new loan facilities might be possible for the next financial year, although it is more likely that implementation would have to wait until 1995-96.

The move joins other mea-sures in the government's "private finance initiative" to allow investment in the public sector by private companies. The education department is worried that with the public sector borrowing requirement approaching £50bn a measure

sary to allow any new capital Many school buildings are in

severe disrepair, a fact highlighted in a report published yesterday hy the National Commission on Education, and private funds are seen as necessary to stimulate extra Similar measures to relax

controls over using publicly funded assets as securities for loans have already been introduced to aid investment in universities and other higher education colleges, and they now receive more than £1bn each

year from private sources, according to Mr Patten.
Borrowing controls over further education colleges, which were removed from local authority control in April this year and are now funded directly by a government fund-ing council, could also be

Banks reacted cautiously to the news. A spokesman for Barclays said that the bank already had numerous business customers among grant-maintained schools, and was interested in extending within the sector. It already lends widely to universities and col-

eges. However, the value of a school building could be lowered if it could only be used for educational purposes, and government guarantees would be a crucial issue. According to Barclays: "If the government offered guarantees then that

Plea for organic farming sector

ORGANIC farmers could become "an endangered species" unless they are given more financial support from the government, Mrs Gillian Shephard, UK agriculture minister, was warned yesterday.

Representatives of the Soil Association, which registers organic producers, met Mrs Shephard to complain about the proposed organic aid scheme which will pay £1.5m a year to farmers who convert to organic methods but will do nothing to help existing organic farmers.

Some organic farmers were reverting to conventional practices or putting land into setaside because this brought greater rewards, they said.

"The growing UK market for organic food will be supplied by subsidised organic farmers in Holland, Germany and Den-

mark," warned the association. Demand for organic produce is increasing although the recession has held back the pace of growth. A survey by Mintel, consumer research analysts, said sales of organic foods in the UK had increased nearly fivefold since 1968 to an

estimated £105.1m this year. Under government plans announced in August, English producers converting to organic methods will initially receive £70 a hectare, falling to £25 a hectare in the last year of the five-year scheme. That compares with proposed page ments in Germany of about £150 a hectare for existing producers and £200 for new entrants, says the Soil Associa-

Germany has about 10,250 compared with just 800 in the UK.

The ministry said after the meeting that it would keep under review the idea of help

for existing farmers.

The association said the number of inquiries and applications from potential organic farmers was falling, as was the area in organic production in the UK, currently about 70-

# Lloyd's Names win £1.77m compensation

By Richard Lapper

losses after agreeing to accept an out of court settlement

its insurers, which cover legal

uals whose assets support the market - on syndicate 384 in the 1985 year of account. The Names have lost £13.8m

on business underwritten in the 1985 year but took legal action over a specific contract, offering reinsurance to Warriiow syndicate 553, underwritten in 1984 by Mr Craham Potter, the 384 underwriter, The case had been due to come to court next month.

The Names are resisting writs issued by Lloyd's to draw down their deposits in order to

# 'Hard work' needed to meet government health targets

By Alan Pike, Social Affairs Correspondent

MORE HARD work will be needed to meet some of the government's targets for Britons' collective bealth, Mrs Virginia Bottomley, the UK

bealth secretary, said yesterday.

The Health of the Nation strategy is intended to produce measureable improvements in the areas of coro-

D

51 Va (60

**B**10 Bel

(32

nary heart disease and strokes, cancer, mental illness, sexual health and accidents.

Reviewing the first year of the strategy, Mrs Bottomley said that 16 of 19 targets where new figures were available were moving in the right direction. But this was not the case with obesity, suicide and smoking

among young people. More people were obese than previously thought - 13 per cent of men and 15 per cent of women compared with 7 per cent and 12 per cent in 1986-87. Sulcide figures showed a slight increase, while there had been only marginal changes in smoking among 11-to-15-year-olds between 1990 and last year.

In addition to the three problem areas ideotified by Mrs Bottomley, a faster progress will be needed elsewhere to meet the targets.

In the past year there was a 4.8 per cent reduction in the number of people under 65 dying from coronary heart disease, but the document says "the current rate of progress will have to improve" to meet the tar-

Meeting the target for reducing

a "substantially faster rate of the budget," he said. decline." The report brought fresh calls from Dr Sandy Macara, chairman of the British Medical Associa-

advertising.
"It is high time the government banned the Indefensible tohacco sponsorship of sport and other tobacco advertising and put a large

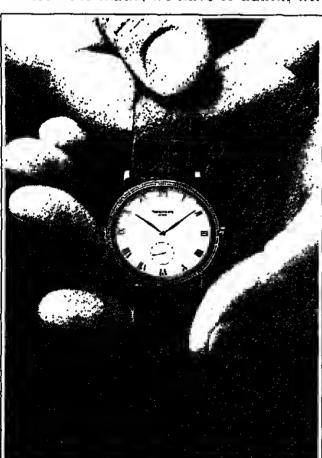
tion Council for a ban on cigarette

 Plans to replace many middle managers in Welsh health authorities with small management teams in hospitals were announced by Mr

John Redwood, Welsh Secretary, Mr Redwood has said he aims to simplify the NHS management structure in Wales, and concentrate

resources on patient care.

For more than a century and a half, Patek Philippe has been known as the finest watch in the world. The reason is very simple. It is made differently. It is made using skills and techniques that others have lost or forgotten. It is made with attention to detail very few people would notice. It is made, we have to admit, with a total disregard for time. If



a particular Patek Philippe movement requires four years of continuous work to bring to absolute perfection, we will take four years. The result will be a watch that is unlike any other. A watch that conveys quality from first glance and first touch. A watch with a distinction: generation after generation it has been worn, loved and collected by those who are very difficult to please; those who will only accept the best. For the day that you take delivery of your Patek Philippe, you will have acquired the best. Your watch will be a masterpiece, quietly reflecting your own values. A watch that was made to be treasured.



Exclusive Palek Philippe showroom: 15 New Bond Street, London - Asprey & Co Ltd., 105 New Bond Street, London Garrard & Co Ltd. 112 Regent Street, London George Pragnell Ltd. 5 Wood Street Stratford-upon-Avon Hamilton & Inches Ltd. 87 George Street. Edinburgh Hettirn Ltd, I King Street, Jersey, Channel Islands

> Watches of Switzerland Selected Branches Nationwide

Dornier 328 - First Class Pe Speed in Germany is serious business.

Speed is the product of hard work

by the very best engineers. You've seen

it brilliantly executed in the classic

Mercedes SL gullwing and now in the new Dornier 328. The Dornier 328's . maximum cruising speed of 335 knots enables the shortest flying times in .... approach to large hubs, because the Dornier 328 can keep up the speed to slip in between the jets. In addition, you not only get there faster, you can

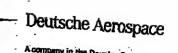
The Dornier 328 can serve pirports with short runways, even under "bot and high" conditions. Passengers are scated as combutably as in much



The classic symbol for German speed. And the new one.

Domier Luftfahr: Gmbt! Regional Aircraft Division P.O. Box 1103 82230 Wessing Federal Republic of Germany Phone (08153)30-0 Fax [08153)30-2055

22455 Davis Drive, Suite 100 Sterling, Virginia 20164, USA Phone (703) 414 -8300 Fax (703) 450 -7735



use its new plant in East Kil-

and demonstrate its abilities in

design and manufacturing. He

said he was attracted to Scot-

land because of its large num-

ber of good electronics engi-

world, the higgest being SCI of the US. Mr Parng said: "Cus-

. Caro E.

()

THE FIRST Singapore-based company to set up a manufac-turing plant in Britain has chosen to locate in Scotland.

PCI, which claims to he one

of the largest contract electronics manufacturers in the world. is to set up its European manufacturing and research and development headquarters at East Kilbride near Glasgow. It will initially employ about 100

**Eurotunnel** 

lead finance

raising body

chief to

By Tony Jackson

private-finance initiative.

vate sector participants.

private finance.

people and hopes eventually to employ 300. PCI designs and manufac-

tures telecommunications equipment, handheld termi-nals, office automation equipment and automotive electronic equipment. It already employs about 3,000 people in Singapore, the Philippines and Indonesia. Its customers include AT&T, Motorola, Nokia and Rank Xerox. Mr Jiun Jeng Parng, chief executive, said PCI intended to

neers, as well as its large base of electronics sub-contractors. PCI has annual turnover of sbout \$100m and claims to be among the top 20 contract electronics manufacturers in the tomers can give us a circuit diagram and tell us what they have in mind. We will design product, make a prototype, do the tooling for production, and manufacture the product

The company makes printed circuit board-based and liquid crystal displays-based semi-finished and finished products. Finished products include cordless telephones, sonar equipment telephone calted identification equipment, point of sale terminals and electronic executive organisers.

Mr Parng said that after establishing its European head-quarters in East Kilhride it was likely to set up a large manufacturing facility in a low cost European country such as Hungary, the Czech republic or Portugal.

"The UK is OK cost-wise if you're employing hundreds of people, but if you're employing thousands you need to go somewhere cheaper." he said.

reduction in operating costs.

short-sea routes. Last spring it

launched a shuttle service

offering 25 crossings a day and

a sailing every 45 minutes at

peak periods while in Septem-

ber it reduced fares on its five

dsy return sailings hy up to 25

By the time the tunnel

opens, the ferry operators,

per cent.

### Manx man's conviction quashed

The Isle of Man sppeal court yesterday quashed the 1992 marder conviction of Mr Tony Teare and ordered s retrial. Mr Teare still faced the death penalty although Manx law has since been altered to prohibit such a sentence heen given again. Mr Peter Thornton QC, acting for Mr Teare, told the court that the Manx police had not disclosed potenfally relevant evidence at the time of the trial.

He said this, combined with fresh evidence uncovered in the past year, made the conviction unreliable. Mr Benet Hytner QC, the appeal jndge, ordering the retrial said he did not think the police officers intended to jeopardise a fair

Bot he added: "It must be made absolutely plain to every policeman on the island, high and low, that this type of conduct cannot be tolerated."

### Power supply licence goes

Large companies generating their own electricity need no ionger have a supply licence if they want to sell more than 2,000 job cuts and a sharp half of it to other users, Mr P&O says it has spent £400m Michael Heseltine, the trade over the past five years improving the quality of its secretary announced.

This will relieve them of the need to join the electricity pool and pay the fossil fuel levy, which amonots to 11 per cent of the cost of electricity for consumers.

Yesterday's action is one of a series of steps the government has been examining to hring down costs for large industrial consumers of electricity.

# cuts costs

managed to end its 1992-93 financial year with a deficit of only £111.779 on £11.03m of

Britain in brief income after cutting costs in the wake of last year's controversy over its future. In 1991-92 it achieved a surplus

of £238,439. The school was heading for a deficit of £326,700 at the end of March - £706,700 worse than a then-hudgeted snrplus of £380,000. But it reduced costs from £11.22m to £11.14m to partly offset a 4 per cent drop io total income. The school says the reversal is the result of the recession, rather than damage done hy the row, which saw the resignations of Professor Tom Cannon, its director, and 14 private sector leaders or former Whitehall mandarins serving on its coun-

### IT centre for Forres

Hoskyns, the UK computer services company which provides outsourced information technology services, is to set up a husiness process outsourcing centre at Forres, Grampian, in Scotland. The centre should employ 200 people within two years and will cost £3.2m, of which £1.5m is coming from Highlands and Islands Enter-prise, the development hody. The centre will he linked to clients via the Highlands' advanced telecommunications network.

### Airwomen in RAF hearing

Pregnant airwomen were expected to go on manoeovres in full battle-dress as part of an RAF ploy to discourage ser-vice members having children. an industrial tribunal heard. The claim was made as 13 women, all former members of the armed forces, began a bat-tle for compensation from the MoD for alleged sex discrimination. It is the first mass action hy ex-servicewomen since the MoD agreed a £32,000 ont-of-court settlement earlier this year over the unfair dismissal of a pregnant

### Trident move wins backing

UK government plans to restrict the size of Britain's Trident nuclear deterrent received a broad welcome at Westminster yesterday,

although some senior Tories Sir Nicholas Bonsor, chairman of the defence select committee, said Trident was a

"sane" place to look for defence savings. But he said the move left questions to be answered both on the number of missiles and warhesds the armed forces would have in reserve and on how easily the policy could be reversed if a new strategic

oreign

nents

threat emerged. Sir Geoffrey Johnson-Smith, chairman of the Tory backbench defence committee, said his colleagues would accept such a move provided it did not come on top of other serious cuts which could affect the effectiveness of the armed services. Labour welcomed the move which it said it had been advocating for the last four

### Scots isles ahead in class

Schools in the northern isles of Shetland and Orkney con-tinne to achieving the bighest percentages of top grades in secondary school examinstions for Scottish schools. according to the official exam results published by the Scottish Office yesterday.

The results, which cover the last three years, give detailed figures on the results for all Scottlsh secondary schools. They cover standard grade (the Scottish equivalent of GSCE) and highers, which are normally taken one year after standard grade.

The results tables include the performance of Scottish independent schools in standard grade and highers, but not in GCSE or A levels.

### Bus sale approved

The government yesterday gave approval for the sale of Letcester CityBus, the hus company owned by Leicester City Council, to GRT Holdings, which operates huses in Aberdeen and Falkirk.

Leicester CityBus has a fleet of 217 vehicles and is the nineteenth public bus company to be sold leaving 29 still in local authority ownership.

GRT recently bought Northampton Transport from Northampton Borough Council it acquired Lelcester CityBus hy competitive tender.



# Stena cuts fares on channel ferries

board. Prices will vary according to season rather than time Eurotunnel is forcing the ferry companies to squeeze every possible marketing advantage out of their fare

structures. While it plugs the advantage of not having to book in advance Stena Sealink yesterday said Its APEX fares were "for people who want the comfort of a reservation." Stena, which has 35 per cent of the Dover-Calais passenger traffic, calculates that it has

including Hoverspeed, will be offering up to 70 return sailings a day between Dover and Calais. Even allowing for the spent £200m on new ships, and expected expansion of crosson port improvements over the Channel traffic it is unlikely past 21/2 years. A restructuring that they will be able to keep this up for long. The real shake-out could be just beginof Stena's operations, prompted in part by the threat posed by the tunnel, led to

# Manchester

Manchester Business School

PATHWAYS TO PARTNERSHIP.

internationality, expertise and experiance,

that makes every customer a partner in a

DG BANK volunteers an operating principle with a risk. Whether that involves international

or liquidity managament, your

Every new venture begins with an idea - and

trade, equity investment, corporate borrowing

new associate represents an unknown quantity. So diverging

interests, and the incalculable



singular way. 

We call it

DG BANK and its staff are

the "WIR PRINZIP", to which

wholeheartedly committed. The

human element inherent in every business relationship, presant possible impediments to cooperation based on mutual trust. The necessary rapport is achieved only through analysia of each party's natural self-interest within a balanced concept. Because both partners want to profit, both want security. In an increasingly complex business environment, your bank'a counselling skills are a vital aid for custom-tailored

concepts of this nature. In addition to

WIR PRINZIP is rooted in tha classic tradition of the cooperative system linking equal busi-

ness partners. And it has a great future ahead

of it. Because it exemplifies the central idea of

partnership: that mutual cooperation leads to

mutual auccass. As a customar you participate In this way of doing business not only through

the customer-driven service quality of

DG BANK; you will also find the same partner-

focused philosophy where it has always been

at home - in every Volksbank and Raiffeisenbank.

Haadoffice: DG BANK, Am Platz der Republik, D-60325 Frankfurt am Main. Officea in: Amsterdam, Atlanta, Hong Kong, London, Luxembourg, Madrid, Milan, Moscow, New York, Parls, Rio de Janairo, Tokyo, Zurich.





THAT RAISES

PARTNERSHIP TO

A HIGH ART

Photographed by Annie Leibovitz



principle of Eurothat an individual may refuse to answer questions in competition pro-

EUROPEAN ceedings if to do so \_\_would incriminate them, does not apply to civil cases brought in national courts, the European Court of Justice ruled last week.

The court's ruling was made in a case involving the Arrondissementsrechtbank in Amsterdam. A customer had brought an action in the Dutch courts to have increases in bank charges declared unlawful under EU competition law.

As part of his case the plaintiff wanted to call bank employees to show the increases were not based on any objective justification but were the result of an inter-bank

Under Dutch law witnesses called to give evidence are generally obliged to do so, except in criminal cases. The bank argued that Dutch law in this respect was incompatible with Union law hecause it hreached its right against self-incrimination. Tha Dutch court referred the question

The court said the right against self-incrimination did not exist as a fundamental principle of EU law where it was relied on hy companies in relation to infringements particularly of competition law -

in the economic sphere.
But the rights of defence that are also part of the fundamental principles of EU law do not allow the European Commission in the course of competition proceedings to compel a company to answer questions that might involve admission of an infringement.

The question the court had to answer was whether the same principle could he extended to cover civil proceedings in national courts relating to the application of EU competition rules.

The court said it was for the national law in conformity with EU law to define the appropriate procedural rules necessary to guarantee the rights of defence for interested parties.

It was not necessary for procedural guarantees at national level to be the same as those at Union level. The guarantees needed to respect the rights of companies in

fundamental a competition case brought by the Commission differed from those needed to respect parties' rights in

national civil proceedings. in particular, in a case such as the present, in which the proceedings only concerned private deal-ings hetween individuals which could not directly or indirectly result in the imposition of a sanction hy a public authority, an Individual concerned could not take advantage of the right against selfincrimination as a matter of EU

The right that existed under EU law was specifically designed to protect the individual from measures taken hy a public authority to cause that individual to admit the existence of certain types of behaviour, thereby exposing that person to penal and administra-

The bank had also argued that the effect of such a ruling would be to deprive individuals of their rights under Union law with regard to self-incrimination, as the commission could simply obtain through national proceedings what it could not obtain through its own procedures.

The Court rejected that argument. The Commission, or any national authority, could not use information thus obtained to prove a oreach of competition law in the framework of proceedings which could result in the imposition of sanctions, or even as a reason for justifying the opening of a preliminary inquiry. C-60/92: Otto BV o Postbank NV,

ECJ FC, 10 November 1993. Compatibility of service station agreements of indeterminate length with EU law.

A pre-accession service station agreement would he compatible with the exclusive purchasing hlock exemption even though the agreement was of indeterminate length, because the general rules relating to the duration of agree ments had been amended for preaccession agreements. Thus, as long as the agreement met the other requirements of the block exemption, it would be valid.

C-39/92: Petroleos de Portugal etrogal SA v Correia and others, ECJ 1CH, 10 November 1993.

BRICK COURT CHAMBERS,

### Whiff of controversy uite a few eyebrows have been raised in response to last week's rejection hy UK competition authorities of the comhangs in the air plaint hy Superdrug, the discount drug store retailer, that perfume manufacturers were unfairly refusing to supply it in order to maintain high prices and make monopoly

Robert Rice on the MMC's decision to allow perfume manufacturers to maintain a 'complex monopoly'

The basis of selective distribution systems is that the supplier limits the distribution of goods only to those wholesalers and retailers which satisfy certain criteria and which, as a result, have heen

Many observers found it hard to

reconcile the Monopolies and Mergers Commission's two central find-

ings: that a "complex monopoly"

existed under which the leading

perfume houses acted as a group in

refusing to supply retailers they

had not authorised themselves, and

recommended resale prices; yet that

these practices did not operate

Consumer organisations, Super-

drug and other retailers were

incredulous. The Consumers' Asso-

ciation said it was "an inconsistent,

incoherent and hadly argued report". It accused the MMC of put-

ting the interests of the industry

before those of the consumer and of

strengthening a market where peo-

ple were paying 20 per cent more

But competition lawyers were less surprised. The MMC, they said, was

bound to take into account the fact that the European Commission had exempted the distribution systems

of the perfume houses from Rome

Treaty competition rules since 1974.
The MMC was boxed in, particu-

larly in the light of the recent

approval by Brussels of the distribu-tion arrangements of two leading

perfume manufacturers, Yves Saint

City solicitors Fox Williams which

represented German manufacturer

Meuhlens during the MMC inquiry.

was delighted with the outcome. But he conceded that, if the MMC

had concluded the complex monop-

oly operated against the public

interest, it "would have had a dev-

il's own joh making recommenda-

tions which didn't conflict with the

The fact that the MMC would

have found it difficult to go against

Brussels underscores the problems

of achieving subsidiarity in compe-

tition policy.

It also suggests the MMC was pre-

pared to ignore the fact that the

issue of special treatment for the

distribution of perfumes is still far

from cut and dried. The European

Commission's approval of the YSL

and Giveochy regimes is being chal-

lenged in the European Court of

Justice by Leclerc, a French super-

market chain. And the Issue is still

under debate inside the European

Commission itself, where many offi-

cials cannot see why perfumes

should henefit from rules originally

designed to apply to technically

complex products.

European Commission's position".

Mr Steven Sidkln, a partner of

Laurent and Givenchy.

against the public interest.

allowed to join the system. They constitute probably the only group of restrictive agreements which are allowed to remain outside the scope of the Rome Treaty competition rules because of the advantages they are said to confer on the distribution of certain types

The main category of goods they are said to benefit are consumer products which are expensive, technically complex and require sales and service facilities of a high stan-dard to ensure customers get satisfaction from their purchases. Goods in these categories include motor cars and consumer electronics such as hi-fi equipment and personal

At first glance it is not immediately ohvious why perfume should he included. The perfume houses argua that their products can he satisfactorily sold only in a suitable atmosphere or ambience, where the up-market image of the fragrances is not spoilt by association with more mundane and less expensive

They have further claimed that products that come into contact with the skin require specialist point-of-sale advice and that, while not technically complex, perfume requires a level of special selling expertise.

By and large the MMC has accepted these arguments. Others are not convinced. The Consumers' Association says its own surveys show consumers are interested in the hrand of perfume, not in where they huy it: most customers have decided on the basis of advertising what they want to huy before they enter a shop. Many customers actually feel intimidated by sales assistants standing behind elaborate display counters. And many "authorised" retailers fail to observe the conditions set by the manufacturers and are "shabby in the extreme".

The CA says the manufacturers' main purpose in setting up selective distribution systems is to prevent supplies of their perfumes from a non-discriminatory fashion. Man-

Sense on scents? European Commission conditions for approving selective distribution of perfumes: ■ Manufacturers allowed to assess … a retailer's staff, sales area and range of stock in deciding whether to supply. Standards used to assess: these factors must be non-discriminatory. No refusal to supply permitted because of a retailer's pricing policy. A retailer can be required. to take part in promotional activities and carry a minimum level of stock. A retailer must be allowed to sell on to other authorised

reaching discount retailers such as Superdrug and Tesco, the UK super-market chain. This, the CA alleges, is an anti-competitive practice specifically outlawed hy Brussels, even in the context of selective distribution systems.

The European Commission's reasoning for continuing to exempt the perfume houses distribution

Perfume houses argue their products can be properly sold only in an up-market atmosphere

arrangements was set out in the YSL and Givenchy cases. These decisions allow the manufacturers to take into account factors such as the qualifications and experience of staff, the area set aside for selling the supplier's products and the range of cosmetic products stocked when deciding whether or not to supply a retail outlet.

The standards by which these factors are assessed must be applied in utacturers are not allowed to refuse supplies because of a retailer's pricing policy or because of the number "anthorised" outlats in a given

The supplier can require the retailer to accept certain obligations, such as participation in the manufacturers' promotional activities and carrying a minimum level of stock. The retailer must be allowed to sell on the products to other "authorised" outlets.

in granting these exemptions, the European Commission accepted that the promotion of a prestige brand image was "an essential fac-tor" in marketing fine fragrances. It accepted the need for appropriate facilities, including "specialised technical advice" at retail outlets, was "a legitimate requirement". It also made clear that other manufacturers who met these terms could apply to the Commission for "comfort letters" confirming that their selective distribution systems complied with the requirements of European law.

appear to have played a decisive part in the MMC's thinking.

But the Leclerc case could still upset the apple cart. The 30 applications are on hold pending the outcome of the case. Oral hearings are capabilled for apple part was been appled to the case.

scheduled for early next year but a final judgment is not expected before the end of 1994. According to Mr Michael Reynolds, head of the Brussels office of UK solicitors Allen & Overy, it is theoretically open to the European

Court to find there is no justifica-tion for extending selective distribution exemptions beyond goods which are technically complex. If that is what the court decides. manufacturers of other luxure goods sold under prestige brand names which have benefited from exemptions in the past - such as watches and clocks, jewellery and even porcelain - could be forced to

reassess their distribution arrange-

Thatever the outcome of the Leclerc challenge, tha whole issna of selective distribution for perfumes will be reviewed by the European Commission in 1997 when the YSL and Givenchy exemptions come to an end. According to Mr Reynolds, there is sufficient difference of opinion inside the Commission to make the outcome of that review far from certain.

Meanwhile, the issue of restric

tive distribution arrangements in general will remain under the microscope both in the UK and in

Mars the US confectionary company has brought actions in Brussels and other European capitals challenging the ice cream distribution arrangements of Unitever, the Anglo-Onich consumer products manufacturer which is the world's largest ice cream manufacturer.

Mars is challenging Unilever's policy of "cabinet exclusivity", which involves supplying freezer cabinets to small retailers free of charge on condition that they are not used to carry competitors' prod-

The US manufacturer claims cabinet exclusivity unfairly inhibits entry into the ice cream market and penalises smaller producers. Sir Bryan Carsherg, director gen-

eral of fair trading, referring the issue to the MMC in May, appeared to agree. Cabinet exclusivity was "a major factor" in the growth in Unilever's share of ice cream sales and consumers would benefit if retailers were free to stock a wider-choice of

products, he singested.

Brussels is expected to complete its examination of the issue of cabinet exclusivity in the new year. The On the strength of these decisions— LifeC will report in the spring. The more than 30 perfume houses have—battle over the right of manufacturmade applications to Brussels for ers to control their lines of distribution for letters. The decisions also tion is neglinoing to gather pace.

> The state of the s A STATE OF THE PARTY OF THE PAR

เกาะสาราชาวิทยาลังสาราช สาราชาวิทยาลังสาราชา สาราชาวิทยาลังสาราชาวิทยาลังสาราชาวิทยาลังสาราชาวิทยาลังสาราชาวิทยาลังสาราชาวิทยาลังสาราชาวิทยาลังสาราช

またして 2月 サイチェイン

### A Pera International Report

The first in a series of reports on major business issues

# Single Market: An empty promise?

A report by Pera International, the leading European business and technology organisation, suggests that the Single Market is a non-event for most small and medium sized enterprises (SMEs).

the survey Opportunity or Threat: The Single Market Reality for SMEs, the first to highlight the effects of the Siogle Market on small companies - says that, while 29 per cent of SMEs in the UK believe that Europeao integration has led to an increase in sales. 70 per cent say that it has made no impact and one per cent claim that it has caused an

This picture is by no means confined to the UK. Similar companies to Germany. France and Spain, where 63 per cent have not yet experienced any benefit, show a much sharper decrease in sales (19 per cent) and a much lower increase (18 per



"Because of their capacity to adapt quickly to changes in the market place, SMEs should be well placed take advantage of favourable

alterations in the European Market and we expect them to play a significant role in the new Europe," said Rooald Armstrong, Chief Executive of Pera international.

\*But for most companies, both in the UK and Europe, the Single Market can only be classed as a non-event. As SMEs account for over 90 per cent of all European companies, this is a particularly worrying finding for the future economic health of Europe as a whole," he added.

Pera International's survey, which involved questioning over 4,000 companies, including a series of face-to-face and telephone interviews, reveals that UK companies are taking a much more sanguioc approach to the Single Market than their European competitors.

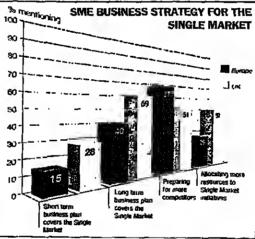
Over 70 per cent of UK

respondents anticlpate being able to maintain their current market position in the future and do not expect to lose position to competitors based in Europe - an attitude, says the report, which indicates "a very high level of confidence in (or perhaps naivety of) the true impact of the Single Marker". European respondents showed a more measured level of expectation, perhaps based on the hard experience of the 30 per cent of respondents who have already lost market share to competitors in the run-up to the Single Market

"Far more European SMEs than their British counterparts have export figuring in their long-term plans - often with the UK as a target market. If British firms don't liven up their ideas we are going to see far more continental based competition in the UK market than vice versa," commented Ronald Armstrong.

The reasons why companies are not yet exploiting the Siogle Market include the rccession (cited hy about half the respondents throughout Europe), complacency (many UK companies claim that there is sufficient demand in the home market), increased cost of sales, marketing and distribution, and (mainly by European companies) the costs of translation.

The report says that small and medium sized companies in the UK are not as active in exporting as their European competitors, who already have a good record of trading with other local countries. SMEs in Europe are responsible for a larger share of their national exports than their UK counterparts. In the UK, less than half of SMEs consider themselves as



truly be described as actively pursuing

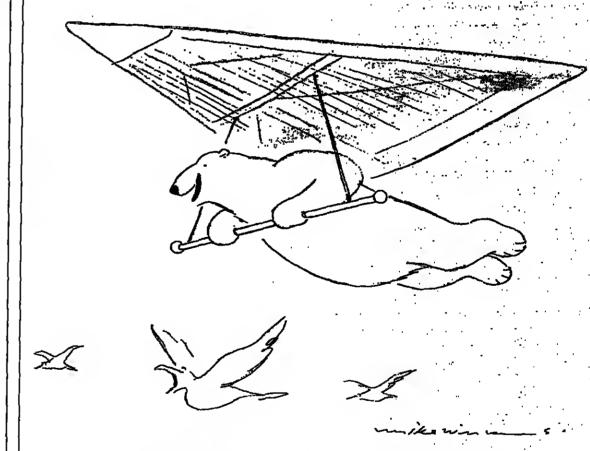
Nevertheless, there is awareness of the opportunities of the Single Market by all respondents, with 59 per cent of UK respondents considering Europe sufficiently important to modify their longterm plans and 28 per cent including it io their short-term plans.

Ronald Armstrong explained "A characteristic of small firms is that they do not have a surplus of management time which means long-term planning can be seen as a luxury they can't afford particularly in times of recession. Unfortunately exporting is an activity which requires long-term planning and experience."

"Unless such companies make adequate short and long-term plans for the Single Markel, they will be unable to take advantage of the opportunities clearly available," he added.

Pera International has been in existence for over forty years working with companies of all sizes. It has more experience of helping SMEs than any other organisation in Europe. Through its consulting divisions, membership and small firms consultancy schemes it has assisted over 60,000 SMEs during the last fifteen years.

For a complimentary copy of \*Opportunity or Threat: The Single Market Reality for SMEs", please contact Peru International, Melton Mowbray, Leicestershire, 11:13 0PB. exporters and less than 20 per cent can Tel: 0664 501501 Fax: 0664 501264



### Who said this is for the birds?

In today's challenging markets, smart investors are turning more and more to private banks. For uncommon expertise and superior service. Plus a global overview with the presence and research capabilities to match. Good reasons why so many investors around the world rely on Bank Julius Baer, one of Switzerland's most prestigious private banks.

Bank Julius Baer. On the ground where it counts.

BANK JULIUS BAER For the Fine Art of Swiss Banking

51

Va

# More for Mountains

nents

The new, improved Monday FT. Starts Mon. November 22.

The Monday FT is changing. Starting soon it will incorporate a host of new features to give you a clearer view of the week to come.

It will highlight emerging trends, discussing how changes in the markets will affect you.

There will be regular articles looking at what the future holds for well known companies and individuals. You'll also find a comprehensive diary of the week's business and social events. (Those you want to know. And those you need to know.)

So you could just find you're still using it on Tuesday. And Wednesday. And Thursday. And Friday. And... The new Monday FT.

FT. Because business is never black and white.

Beckett's company, Valpar Industrial in Bangor, County Down, had just won the Northern Ireland section of an excellence award sponsored by the Institute of Export, the Financial Times and NatWest Bank. Valpar, which has picked up six business awards since 1989, has succeeded in spite of its size and the logistical handicap of being on the periphery of Europe.

It bas done so by, among other things, developing a clever product in a niche market, appreciating the importance of quality, investing heavily in research and bringing in outside help to enhance its strategic thinking. Valpar, which has 43 employees, now exports 60 per cent of its £3m-a-year turnover and claims a 50 per cent share of the domestic UK market.

This proves you don't have to be a giant to do things right," says Ian Campbell, director-general of the Institute of Export and one of the judges. "We were looking for excellence. Valpar demonstrated it in efficiency, quality, education, innovation and in ensuring that exporting was a general direction of the company, not just a bolted-on func-

Valpar makes a product known in the trade as python - a prefabricated line cooling system for dispensing drinks which looks lika a thick snake and is similarly flexible. It consists of several plastic tubes which carry beer, or any other type of beverage, from storeroom to tap bundled round two inner tubes through which a coolant flows to keep the beverages in the surrounding tubes cool. The whole bundle is encased in insulating foam, forming a thick, black, cable.

Beckett's innovation, which he patented, was to automate the bundling and insulating process. Others, such as the brewers themselves, still make python by hand. Beckett has offered them an outsourced solution to a troublesome, labour-intensive problem.
His own problem in marketing it,

meanwhile, was that of a small business selling to big business in the food industry. Credibility was all, particularly over quality, so Val-par dispelled any doubts by becoming accredited as soon as it could under BS5750, the UK quality standard, and ISO9002, its international equivalent, in 1989.

Slobhan McAleer, an international business studies graduate of the University of Ulster who did a project for Valoar and is now business development manager, says this is now paying dividends in export markets because quality can be taken for granted.

# Make mine a python

Exporting from the periphery of Europe is not easy. Ian Hamilton Fazey on a company that has succeeded

An impressive list of customers also helps. It includes most of the UK's leading brewers, as well as continental giants such as Heineken. Northern Ireland's relative remoteness has not proved to be a disadvantage. The company was used to long-haul delivery to UK domestic markets; shipping farther afield was not much more difficult. In the US, Valpar's production is licensed to the supplier of python to all McDonald's restaurants, where Coca Cola is the main beverage carried. The chilled Coke dispensed by

Moscow McDonald's flows through python made in Northern Ireland. So do all the chilled drinks at Euro Another secret has been Valpar's decision to opt for a vertically integrated structure, so that, for example, it manufactures its own plastic pipes. This enabled the company to win German bealth and safety

market. Beckett believes in sharing some of the company's profits - normally above 10 per cent of sales - with his employees. Performance-related pay

approvals for its python, beloing it

to sell into Europe's biggest beer

accounts for up to a quarter of senior managers' earnings. But most of the remainder is ploughed back into the business, notably into research. Valpar sponsors several postgraduate research students at Queen's University, Belfast or the University of Ulster with a view to improving its products. It is currently developing a nylon-based pipe that will be almost selfcleaning, saving downtime.
It is also diversifying into fuel

lines for the automotive industry, as well as pythons down which telecommunications companies can propel optical fibres using com-pressed alr. This means cheap python can be installed anywhere, with expensive optical fibre blown down it only when the customer Not everything has gone

smoothly, but when trouble hit, Beckett wisely sought outside advice. "Three years ago I was not enjoying things as I had before," he says. "I brought in consultants to interview all the staff and was forced to conclude that the problem was me. I was starting to get a bit

He decided he needed someone to keep him in check and help the company stay focused. KPMG Peat Marwick, his accountant, helped in beadhunting Peter McKie, the Northern Ireland-based managing director of Du Pont UK, who became non-executive chairman in

imultaneously, Beckett started five-year corporate planning under the guidance of KPMG and Ledu, the Local Enterprise Development Unit which runs Northern Ireland's small business support services. At 38, and with most of Valpar's workforce under 30, he says he still has a long way to go. The question, as with any successful young entreprenenr, is where. If Valpar is not a candidate for flotation, it must surely risk becoming a target for predators.

"I don't want to sell," Beckett says. "We are a tightly knit team and I couldn't do it to the people who have built this company with me." He thinks diversification into telecommunications and automotive markets offers the best means of both development and defence.

Tim Dickson looks at a report which makes the case for government backing of new technology-based firms

# Where the UK's venture capitalists have failed

Something has clearly gona wrong with the UK venture capital industry. A decade or more ago this infant

financial sector seemed set to turn Britain's rich base of scientific discoveries into a gushing commercial success. Imaginations fired by the success of early-stage risk investment in the emerging computer, semiconductor and biotechnology industries, disciples of the US model were intent on exporting its magic properties across the Atlantic.
As outlined in a report\* written

by Michael Hay of the London Business School and Steven Abbot of Abbot Consulting, however, investors outside North America have grown averse to young,

technology-based firms.
In 1992, they say, just one in six dishursements by UK venture capital firms were made to seed, start-up or early-stage firms, against two in five only four years previously. The 1992 figure in the US, by contrast, was between one in three and one in four. Hay and Abbot argue that tha

problem is not just lack of supply, brought about by the way the industry's reward structures favour larger and less risky deals such as management buy-outs and expansion financings. They claim that within the UK the difficulties facing new technology-based firms are compounded by the high cost of

long-term capital. Drawing on work carried out by two economists at the Federal Reserve Bank of New York, they show that in 1988 the real cost of capital for an R&D project with a 10-year pay-off lag in the UK was 60 per cent higher than that in Germany and about three times that in Japan. The gap, they believe, is not likely to be much different today.

The main purpose of the report, which uses simplified quantitative models and qualitative analysis, is to make the case for additional tax incentives to encourage early-stage NTBF investment. Some of these are designed to fill the gap which will be left at the end of the year when the much-abused Business Expansion

Scheme finally disappears, but levelling the cost of capital "playing field" and easing the exit route for venture capitalists. Hay and Abbot go to some lengths to demonstrate the scale

of the financial benefits of NTBFs for the country as a whole. Their research estimates that roughly 27 per cent of the present value of an NTBF's future sales accrue to the exchequer via taxes. although the net benefit could be as high as 50 per cent if job creation is also taken into accou They also cite analysis by the Department of Trade and Industry of its existing "Smart" award, scheme and of the similar German TOU scheme, which would appear

Investors outside North America have grown averse to technology-based firms

to offer a generous payback.
The report says the government is likely to get "the biggest bang for its buck" by concentrating relatively small sums on seed, start-up and early-stage investments rather than on established firms, and this is in line with official policy as outlined in May'a White Paper on realising the potential for science, engineering and technology. The six proposed taxation reliefs

· Equity investment relief. This would be a tax credit for the benefit of the firm, which would be highest at the seed capital stage, but decline over the first three years after start up. One advantage of this approach, against giving an immediate, fixed-tax credit to the investor is that the NTBF would have to earn the cash before it claimed the incentive. The income foregone by the exchequer would be scaled down for unsuccessful investments

Since the vast majority of tax generated by NTBFs are employment taxes - notably National Insurance contributions

- the authors claim that to some extent this relief is based on the extent of employment creation. Capital gains tax relief. This would be available to existing NTBF shareholders, equivalent to the amount of tax paid by the company and its employees over the course of its trading history. Portfolio relief. Put simply this would allow capital losses incurred as a result of investment in one or more NTBFs to be offset. against capital gains generated in one or more similar See-through relief. Its

hit

provisions would be similar in many ways to those already allowed under the S corporation election in the US and via silent partnership formation in Germany. NTBF equity investors would be allowed to benefit from the immediate "pass through" of the company's net operating losses to their own individual returns.

• Interest relief. At present entrepreneurs borrowing money to buy shares in their new firm are allowed to offset interest charged on those funds against earned or unearned income. provided the company is either "close" or employee controlled. This proposal would extend that relief by allowing all equity investors to do the same and by exempting exempt from tax interest received by medium and

long-term lenders.

• Hilquid company shares relief.

The lack of liquidity in small company shares has prompted many proposals, but this one would reduce, initially to zero. capital gains tax on ICSs. Qualification would be by . reference to the "total" and "free" market capitalisation of a company's equity and the average daily trading volume, by value, over the preceding year, as measured by the London Stock

Exchange.

\*\*Investing for the Future (£25 inc pixings and pixings in grant pixings in a commissioned by Advent, a Commissioned og Adment, a London-based, ventior capital company Available from Julie Allen, Advent, 25 Buckingham Gate, London SWIE GLD. Tel: 071

BUSINESS MANAGEMENT

INTERNATIONAL LIMITED

Management and Accounting

Services for your in Bermuda.

Tel/Fax/Telex/Mail Box

Computer facilities

Fax: (809) 292-9943

COMMERCIAL

MORTGAGES &

BRIDGING FINANCE

Contact: 061 237 9860

Fax: 061 237 9795

Authorised Agent of P.M.C. Licemed credit broker No. 233459

HAT CO. ALS

Market Land

### **BUSINESS OPPORTUNITIES**

READERS ARE RECOMMENDED TO SEEK APPROPRIATE PROFESSIONAL ADVICE BEFORE ENTERING INTO COMMITMENTS

FREE ECONOMIC ZONE IN KAZAKHSTAN **OPENS FOR YOU** CROEX LIMITED PRESENTS

The Zhairemskii Ore Mining and Processing Works one of the larger scale mining works extracting polymeral and manganese ares from open cast mines. SITUATED: Zhairem-Atasaiskaya free economic zone, Kazakiston

ORE'S CHARACTERISTICS: THE POLYMETAL ORE: Isad 4-5%, zinc 4-5%, burytes 40%, silver 20-30 grh. Reserves stand at 150 million toures. There are also other deposits with confirmed reserves.

THE MANGANESE ORE: Manganese 22-28%, iron 6%, phosphorous 0.04%. Confirm

On behalf of regional government and administration of the Works we invite foreign investor to take part in the building of on site processing plants to process manganese (with an output of 1200 thousand tonnes per year), and to process polymetal one (output of two milhou tonnes per year of raw ore), and a plant for the extraction of zinc from natural concentrate. SENO YOUR WRITTEN ENQUIRIES TO CROEX

IN MOSCOW, RUSSIA FAX: (1995) 2437478 TELEX: 412467 KEDR St.J IN ALMATY, KAZAKHSTAN

IN THE UNITED KINGDOM ADORESS: The Old School House, Crowfield, Ipswich, Suffelk, 196 982, UK. FAX: 144) 0473-464311 TEL: 144) 0473-463594 TELEX: 987828 CROEX G

### Manufacturers/Importers

Can you supply products for Mail Onler? We are a successful Mali Order company with an established catalogue and

Our products range from health end beauty to clothing and general We now wish to expand our product portfolio for 1994 and would be nterested in receiving details of suitable products. Please write to Mr Liversey, 212 Walsall Road, Great Barr, Birmingham 842 1EU

ARE YOU SEEKING NATIONAL DISTRIBUTION? Company marketing a range of gardening products with strong representation in Gurden Centres, OIY and Grocery multiples seeks new product ranges/concepts for

Any proposal will be considered, but selection will depend on a number of critical If interested, please write initially with brief details to Box B2103, Financial Times, One Southwark Bridge, London SE1 9HL

### 60%+ IRR

Revealed on BBC 2's Money Programme: Sir John Aird's investment through Venture Capital Report of £23,000 in Matcon, is now valued at £2.5m+ Monthly Report offers 120 selected Phone for free trial 0491 579999 Fax 0491 579825

TAX EFFICIENT

INVESTMENT:

Investors and/or working

partners sought for expanding

B.E.S company in major

UK/European growth market.

Contact Man. Dir.

Mr. Knox on 0732-740688

or 0836 289684

INVESTMENT OPPORTUNITY

Established Specialised Computer

Company, everloaded with work opportunities. Requires Financial

little or no competition, 60K minimus

Write to: Box 82102, Financial Tunes.

One Southwark Bridge, London SEI 91 L

estment to take advantage of a buge

cialist Area in which there is very

col required, active/alcuping

### CORPORATE **VENTURERS**

**PRIVATE INVESTORS** 

An 'Equity Gap' Exists Snb £500k Investments

To find out more about entact Paul Ruocco og:



Television House

IN FRANCE

A silent copiny partner is required for a vast
Holiday/Sports Complex being proposed in
France. The project Includes the development of
too Champhatchip Golf Courses, 250 Bestrowned Hotel, 300 Bungalows and total Sports and Leisure Facilines. It will extend to over 600 acres and later include a Health Farm situated in a nearby Chaleau Hotel. When completed the project will be worth as exercis of LISOJOOJONA, but needs a late-state capital injection of between 50.5m and LISus. A marketing team has already been set up, and goral interest has been shown by a top cleas Golf Counce designer. If pour are inserved or participating in this exensing project, please write to Best E2019, Financial Times, One Souths are Bridge, London SEI 94th.

Business Opportunity
HOLIDAY SPORTS COMPLEX

### GREETINGS

Well known greeting card publishing company is licensing the distribution of its products on a regional basis. Potential distributors with management ability and a working capital of £25-50k are offered a substantia business opportunity with e high income potential. Tel: 061 491 5575

Reach the people who invest in Business la Business investors grapevine A subscription publication for Business Angels, Venture pitalists and Oirectors of public and private companies

0444-483 732 FINANCE AVAILABLE Established eligots have

funds, £100k to £5m available to lend/invest to suitable secured veglures Send details to AAP Limited, Russell House, 140 High Street, Edgware, Middlesex HAS 7LW

CHANNEL ISLANDS Offshore Cumpany Formation and Administration, Also Liberia, Panama & AVI etc Total offshore facilities and services.

NATIONAL UK DISTRIBUTOR

Australia's premi manufacturer's of dry deg food requires UK/EURO Distributor mus ent capacity to offer reasonable

Please contact Luke Davis on Tel: 0203-636-131 or Fax 0203-636-020.

COMMERCIAL FINANCE/VENTURE COMPANY DOCTOR Good and well

INTERESTED IN PUBLISHING? If you would like to invest in a clart-up publishing venture, we offer a unique idea in a specialised area. If you can supply the france we can supply the work, experise and experience. Write to Box 82031. and experience. Write to Bex 22031. Financial Times, One Southwark Bridge,

### SEED CAPITAL

£75k wanted for Aberdeen management software Company plus assistance in raising £500k. Outstanding management credentials. Major Windows product c.25MB, launching May 94. Large U.K. U.S., Arabian potential. Ist customer is in

U.K. top 5. Write Bax B1863, Financial Times, One Southwark Bridge, London SE1 9HL

### TRANSDUCER/ LICENSE - U.S.

Mfg. seeks U.K. or Continental company for production & distribution of Force & Displacement measure transducers throughout the entire European Market. Product fines in U.S. market over 25 years, existing ant penetration in the EC market FAX: 713/681-9682 US

### FINANCE AVAILABLE

For working capital/ expansion for companies with potential.

Write to Box B2049, Financial Times, One Southwark Bridge, London SEI 9111. **TELECOMMUNICATIONS** 

Consultant has identified & tested elegan ive scheme to gain big share 15bn market. Legal, low risk ficenses, so £ multimultion cabl Will sell briefing £1.00 & advise. NO INVESTMENT SOUGHT. Write to Box B2101, Financial Times, the Southwark Bridge, London SE1 9HL

LONG ESTABLISHED WEST OF ENGLAND POTTERY

mulacturing expacity available Covering wide range of ceramics, First class, versatile craftsmen, Write to Box B2046, Financial Times, One Southwark Bridge, Landoe SET 9HL

OFFSHORE MUTUAL FUND Small, Swiss franc denominated. offshore mutual fund, seeks similat for merger discussions. Not part of larger group.

Write to Box B3050, Financial Times, One Southwark Bridge, London SE1 9HL

### **AUCTIONS**

NEXT AUCTION of life assurance policies for investment will be held on Thursday 25 November. Telephone:

H. E. Foster & Cranfield 071-608 1941 for catalogue

### **BUSINESSES WANTED**

Information Technology

Company Required

We are instructed by Clients to seek

company with following profile:-Applications Software,

Communications, Multi-media,

Profits £0 to £750,000

Moorgate Corporate Finance

Tel: 0277 810043 Fax: 0277 810068

WE WISH TO

ACOURE OR MERGE

WITH AN AUTOPARTS

DISTRIBUTION COMPANY

TURNOVER MINIMUM £14M.

Write to:

SPECIALIST PUBLISHER

Small, high-tech, expanding publishing company wishes to increase its range of specialist guides: Would welcome discussions.

Write to Box 82012, Financial Times

One Southwark Bridge,

London SEI 9HL

WANTED

Very large coldstore

in South East.

Box B2038, Financial Times, Southwark Bridge, London SEI 9HL

uth-East location,

CD technolo

DEFENCE EQUIPMENT We are interested in acquiriog: SMALL NICHE OFFENCE **EQUIPMENT MANUFACTURERS** NON-CORE OFFENCE EQUIPMENT

PRODUCT LINES MATURE OFFENCE EQUIPMENT PRODUCT LINE THAT WILL FUTURE

Please contact to confidence; REPAIRCRAFT PLC Tel (0483) 273536 Fax (0483) 278078

### WANTED CHILLING

UNDLIG YOUR COMPUTER MEMOR MOST COMPUTERS CONTAIN UNEEDED MEMORY SIMMS IMMEDIATE CASH FOR YOUR 2, 4, 8MB EXCESS IBM, COMPAQ TOSH, MEMORY MODULES. CALL G7 COMPUTERS LTD

061 725 9595

SECURITY PRODUCTS/COMPANIES We are seeking to purchase so companies to incornorate in our We are particularly into ons with high levels of organisations with high levels of echnical skill and innovative products especially those applicable in CCTV

### WANTED REPUTABLE MAINTENANCE COMPANY

Write to Box 8205L Financial Tim

H&V/AC ANO MAINTENANCE COMPANY OPERATING IN THE SOUTH EAST OF ENGLAND. Bonn fide enquiries from Principals only. Write to: Box B2048, Financial Times. One Southewark Bridge, London SE1 9HL

COMPANY WITH CAPITAL GAINS

luvestment company based on Jersey seeks to acquire UK companies with Between £0.5 . £5 million in capital gains or deferred tax

Write to: Box 82937, Financial Times, One Southwark Bridge, London SEI 9HL

t Highly negotiable assets preferred

**VEHICLE FLEET** MANAGEMENT

Motor Group wishes to acquire well-established fleet management business with a sound client base. Witte with details to Box 82040, Financial Times, Ono Southwark Bridge, London SE1 9HI

### **BUSINESS SERVICES**

SURVIVE ...THEN SUCCEED!

Restriction 7 Voluntary Arrangement? Liquiduc ? Restart? Which costs will best cause fame spiccess 7 If reles certainly introduce you to a belocal in olvency practitioner out first let's decide the best sa Talk confidentially with a specialist SCRICK CORRIG

Mike Gray INTERCO INTERNATIONAL - 071-637-9327 =

TOP MANAGEMENT

Top flight management expenses available for companies to recover, restructure and develop General Management - Strategic Planning

Tel: 0707 828060 Fax: 0707 828080

Crisis Management, Contact in strictest confidence InterConsult (UK) 80 Victoria Road, Darlington

DLI 5JG

JAPAN MARKETING RESEARCH CO Branch formation, accommodation address. Details Target Marketing London and Tolyc Tet: 081 541 1541 Fisc 081 547 1424

### Reply to Box B2019, Financial Times, One Southwark Bridge, London SEI 9HL OFFICE EQUIPMENT

### PRE AUCTION SELL-OFF

EX FERRARI AGIP, PRUDENTIAL & THAMES TV OFFICE FURNITURE.

EXECUTIVE SUITES, SYSTEM DESKING. OPERATIONAL DESKING, EXEC SEATING. OPERATOR SEATING. RECEPTION & BOARDROOM FURNITURE

PHONE 081-549-9339

BOXED BANKRUPT STOCKS QUALITY I SED OFFICE FURNITURE III GE QUANTITIES TO CLEAR NOW. 900 grade and annual father high and expect for Many other items available - mehidaig Steelease. Herman Miller, Knoll (Hannah), Flexiform & Sunar TEL: 081 743 2100 FAX 081 749 9500

Buylog Office Equipment? Why not call for a FREE Buyers Guide: Fac, office copiers, compact copiers, faser printers, notebook PCs, telephone All compiled by Independent journalists. Call now on 0622 722223

London, Bristol, Swanses

EXPERIENCE

COMPANY RESCUE YOUR MAILING ADDRESS in London, Paris, Berlin, Frankfurt, Medrid and 70 other top focations worldwide. Call Regus on 071 872 8500 FINANCE OIRECTOR, FCA, wide

Fax: (0325) 360021

ranging skills & experience avail PIT basis. Tel: 071-255 2337.

SUBSCRIBE to the Monthly Newsletter U.S. Economy at a Glance and receive FREE The Wall Street Journal Book to Undecembing Money and Marketh. Call 081 678 6080 or lax 081 671 5134

**BOOKS** 

### LEGAL NOTICES

No. 009416 of 1993 IN THE MATTER OF

IN THE MATTER OF IN THE MATTER OF
THE COMPANIES ACT 1985
NOTICE IS HENERY GIVEN that a Petation
was presented to Her Majousty's High Court of
Justice, Chancery Division on 28th October
1993 for the confinentian of the reduction of
the states promism account of the above sumed
Commun. AND NOTICE is finished when that the state promism account of the above named Company. AND NOTICE is finither given that the said Petition is directed to be heard before Mr. Registers Beckley at the Royal Courts of Institee, Strand, London WC2A 2LL un Wednesday the 24th day of November 1993. Any Creditor or Shart older, of the said Company desiring to oppose the making of an Order for the confirmation of the canife cancellation of the capital redemption reserve should appear as the time of the hearing, is person or by Coursel for the purpose. A copy of the said Petition will be furnished to any person requiring the same by the undermonished Solichnes on payment of the Registed Charge for the tame. Regulated Charge for the views.
Dated the 16th day of November 1993 Cliffood Clustee

200 Akienagelo Street London ECIA 411

b D

51  $\mathbf{Va}$ (60

BK Bel (32

of senior management changes in its public house operations following the retirement next February of Len Oliver, managing director of Whitbread Pub Partnerships for the past

Oliver was previously man-aging director of Thresher and has been with the company for 19 years. Oliver, 53, who joined Whit-

bread in 1976 after 20 years with J Lyons, was largely responsible for the reorganisa-tion of Whitbread's leased pubestate to meet the requirements of government legislation. That restructuring followed on the heels of a report from the Monopolies and Mergers Commission, an inquiry into the brewing industry. Oliver is to be succeeded by

Bill Shannon, 44, who is at present managing director of tha group's Beefeater restau-rants and pubs, and former managing director of Thresher, the off-licence chain. Shannon, right, will join the group's executive committee on

Simon Wood, commercial director of Whithread Inns, the

Wood joined Whitbread Inns in 1990 from Chef & Brewer, where he had been managing

Stewart Miller, 40, operations



director of Beefeater will become sales and marketing director of Whitbread Inns. He will be replaced by Ian Webster, 39, currently director

wood Inns in Sheffield, where he is responsible for more than 280 managed pubs.

David Livingstone, 48, operations director of Whitbread Inns, takes up a new post of business development director, and will concentrate on the division's expansion

All the management changes are due to be in place by the start of Whitbread's financial year on March 1 1994. Peter Jarvis, chief executive,

said: "Rach of the new appointments is designed to bring fresh impetus to the growth plans of the operating companies concerned. We are fortunate in having management strength in depth to make such a series of changes from within the company's own resources."

Tory MP for Kingswood, far right, has been appointed director general of the British Soft Drinks Association, which rapresents the UK's £6bn-ayear industry, the fastest growing sector of the grocery trade.

Robert Hayward, former

An economics graduate, Hayward, 44, was a personnel and industrial relations manager, as well as a member of Coven-try council, before he entered the Commons in 1983.

During his oine years at as parliamentary private secre-



founder of the Gulf Support Group. The group represented

**Texas Homecare** 

selects its new

### No grouses for Ivory at Highland **Distilleries**

Brian Ivory, managing director of Highland Distilleries, is to become group chief executive

Highland Distillerles is a medium-sized quoted whisky company, with a market capitalisation of some £342m whose best known brand is Famous Grouse, whose sales in export markets are expanding, already contributing 55 per cent of profits.

The current executive chairman, John Goodwin, will reach the company's retirement age of 62 in August 1994. But Goodwin, who has spent almost 30 years on the board, will not be a stranger in future; he has been asked to stay on as nonexecutive chairman.

The move is being announced relatively early, in

s septices

2000

1,200

Ivory, 44, is a member of the east of Scotland family whose name occurs in the Edinburgh fund managers Ivory & Sime and Stewart Ivory, where his older brothers James and Ian are directors.

After education at Eton and Magdalene college, Cambridge, he trained as an accountant before joining Highland Distillerles in 1976. He became manting director in 1988.

Ivory considers that the arts head the list of of his non-professional interests. He was on the Scottish Arts Council for several years, eventually becoming its vice-chalrman. Moreover, he is also a keen practitioner of the baggipes, and is involved in a £3m project to house the College of Pip-

ing in a derelict church in

finance director John Coleman, new chief executive of Ladbroke's DIY chain Texas Homecare, has

brought in another colleague

from his days at the Dorothy Perkins chain, David Adams, to join his team as finance Coleman, formerly chief executive of Dorothy Perkins, announced earlier this month

that he had recruited Stephen Hibbert, operations director at the Burton group's fashion chain, to be his operations director at Texas. Adams, 39, has worked with

Coleman for five years, first as finance director of the Top Man and Top Shop chairs, and later as FD at Dorothy Perkins. After gaining an economics degree from Edinburgh University. Adams began his career at

atham

trainee, but moved a year later to spend three years at ITT.

From 1981 to 1985 be held various financial planning and analytical roles at Max Factor, the cosmetics group, before becoming an accountant with National Adhesives, a division of Unilever. He joined Burton group's corporate finance department in 1986. Adams fills a post that has

been vacant since June when Peter Hallett left Texas to join Hobson, the toiletries group.

John Coleman, who joined Texas in September, has quickly assembled his team. this month he appointed Nigel Franks as

property director and moved

Andrew Kinnell, formerly operations director, to the new post of director of systems and

# EuroBusiness

Sasea and the Beaverbrook connection



**BUSINESSES FOR SALE** 

### FIRST-CLASS BUSINESS ENTERPRISE

Construction machinery, stackers, crases Wholesale firm with 70 years experience Incloding 35 years in Eastern European countries and in Southern Germany, Austria, Hungary, the Czech and Slovak Republics, Slovenia and Croatia, with exclusive agencies for world trade names and with an extensive sales and service organization through the Company's own branches in the Individual countries with long standing, first class employees is

The undertaking is self-financed. Interested parties are requested to state flieir interest to: TRC Trenhand & Revisions AO, Chur, Ottopiatz 19, 7000 Cher, Switz enclosing proof of capital amounting to DM 45 million.

### FOR SALE: PACKAGING COMPANY Well established: High Profit and Growth Potential

Profits: £1.2m

No Borrowing Net Cash:

£1.0m

**ENGINEERING BUSINESS** 

FOR SALE

Manufacturing products and services related to industrial and special gases applications. Markets are diverse and clients loclude many blue chip

Also for sale a component manufactur-ing company supplying a number of blue chip clients.

tunted in the Midlands with excellen

erested parties please write to:

FOR SALE

General Commercial, Life (FIMSRA), Household and Motor business transacted

theid and iverse.

Wide customer base.
Excellent ellent relationships
Carrent countission
c. £500,000 p.a.

Messa write to:- O Mauriot PCA MASSIOTT SECURITIES LITO

MARKED IT SECURITIES LITO I Gloscester Garden, London NW I I 9AB Tel: 081-458 8387 Per: 081-209 0927

COMPANY FOR SALE

FRESH FOOD PACKAGING

MANUFACTURING COMPANY

(Synthetic Materials)

Trailing for four years, 52 million

over with exceptional current profit naiderable growth potential, several

Write to Box 12036, Financial Times, One Southwark Bridge, Lendon SEI 9HL

RECEIVERSHIPS/LIQUIDATION - PINK

HECEVERSHIPS/LIQUIDATION - PIRK PAGES - The weekly guide to every producent company. Direct contact with Liquidebors/Receivers. - Fully Indicaed according to company type. Presemple copy - Tet. (0278) 620051, 24 Hrs.

Very Strong Cash Flow

Poteed for next stage of growth and development, suit manage buy-in or trade sale, Principals only. Write to: Box B2025, Financial Times, One Southwark Bridge, London Sel 9HL

### FOR SALE AIRCRAFT ENGINEERING SCHOOL

\* CAA Approval for LWTR

"Ab-Initio" 'A'+'C' Training Specious seaching acc

Well fitted practical wo Close to all transport links and good

Write to Box 82047, Financial Times One Southwark Bridge, London SE1 9HL

QUICK SALE REQUIRED Owners' immissent move abroad forces sale of highly profitable transhiped RECRUITMENT ACIENCY Consistent pre-tex profit of £200,000 ps. Excellent franchise support means no

industry experience neces. Price £200,000 one. Buyers must have funds available to complete by end of year. Tel: John Bissell on (0438) 848772 LINSEY BISSELL ASSOCIATES

Crystal Palace/East Dalwich Small Family Residential Property Portfolio For Sale Income £33,570 pa Price £225,000

Telephone Edward Symmons & Partners 971-407 8454

SOUTH ORYON - A unique fleet of househouts (23st. - 70th with teunches, landers, wateriges boat & queryside office. Long season & many loyal clients. £165,000. For bruchure phone Salcombe Boat Contentry - US48 8-23730, (fix 0548 8-2308)

All Adventisement bookings are accepted subject to our earner? Terms and Conditions, Opics of which are available by writing to The Adventisement Production Disorbor, The Financia Times, One Seathwark Bridge, London SEI 941, Tel: 071 873 3223

Fact 071 873 3064

### Crossley **Davis**

### MAIN PEUGEOT DEALERSHIP

Latham Crossley & Davis invite offers for the sale of a North West Motor Dealership:

- . 400 new unit potential
- Vehicle Rental
- Long lease purpose-built premises with growth potential

Please address enquires to Philip Nuttall, Corporate Finance Partner

Latham Crossley & Davis Arkwight House, Parsonage Gardens, Manchester M3 2LE Tel: 061 834 3313 Fac: 061 835 3480

### Latham Crossley **Davis**

### SSC (BLACKPOOL) LIMITED

The joint receivers David A T Wood & Tim A Askharu offer for sale the business and assets of the company comprising:

- Steel welders & fabricators
- Fully equipped workshop
- . Turnover in the region of £1M Leasehold premises with good motorway access

Offers will be considered on going concern basis or for the constituent parts of the business Please address enquires to the joint receivers at:

Box B2045, Financial Times, Southwark Bridge, London SE1 991. Latham Crossley & Davis Arkwright House, Parsonage Cardens, Manchester M3 2LE. Tet 061 834 3313 Pax: 061 835 3480 INSURANCE BROKER'S
BUSINESS, GOODWILL
AND FIXED ASSETS
Frollable - Well Emphished

### CASTLETOWN, ISLE OF MAN Castletown Golf Links Hotel

Detached Hotel and Championship Golf Course 58 en suite Leuing Bedrooms Derby Haven Lounge and Fort Island Bar 5 Function Rooms Heated indoor Swimming Pool 170 year end \$1.3.93 £1,252.780 exc. VAT Offers over £2 million freehold

Manchester Office Ref. 56/45433
For further details contact Julian Troup on 061 833 3311

CHRISTIE & C2

### BUSINESSES FOR SALE OF

Appear in the Financial Times on Tuesdays, Fridays and Saturdays.

For further information or to advertise in this section please contact

Karl Loynton on 071 873 4780 or Melanic Miles on 071 873 3308

FINANCIAL TIMES

# Courtline Plc

The Joint Administrative Receivers offer for sale as a going concern, the business and assets of Countine Pic., a double-glazing company.

- Principal features comprise: Long leasehold premises of 16,000 sq.ft.
- Turnover of £2.4 million
- Modern machinery workshop ■ Extensive customer base

For turther information contact the Joint Administrative Receivers, Peter Terry or Philip Ramsbottom, KPMG Peat Marwick, St. James Square, Manchester M2 6DS. Tel: 061 838 4000 Fax: 061 838 4089.

KPING Corporate Recovery

### Go Industries Limited (In Administrative Receivership)

The business and assets of this established hydraulic access platforms manufacturer are available for sale as a going concern.

- Designers and manufacturers of mobile hydraufic access
- Substantial freehold premises at Hinddey (J1 of M69). 18k sq. ft. leasehold factory at Thetford, Norfolk.
- Well established European and Middle East distributor
- £2m annual turnover 15 employees. New projects and developments on hand. Enquiries to:

R J Rees or M J Prangley, Price Waterhouse, Victoria House, 76 Milton Street, Nottingham Telephone: [0602] 419321 Fax: [0602] 475225

Price Waterhouse

Price Waterhouse is authorised by the Institute of Chartered Accountains in England and Wales to carry on investment business. By Order of the Jourt Administrative Receivers T.C. Lammas Esq BSc and F.A. Hatch Esq. of Castle and Company, Duckey. In the manter of

PRESIDENT MANUFACTURING LIMITED

Offers are invited for the assets and business of the above Company who trade Manufacturers and losselfers of Architectural Components from the Halesowen area

- \* Turnover in excess of £500,000 per annum \* Substantial order back \* Modern Leaschold factory and offices
- Plant, machinery and office furniture
   Established customer base throughout UK and Middle East

STEVENS, CHAMPION & SLATER , 45 Temple Street, Birmingham B2 5NJ Tel. 021 643 1942 GOOD CPPCRTURITY to buy two Pot shoos in south London mear Chelsea, Combined turnover 155,000 per week quick serio 159,000/4 value, Telephone dayline 0828,710767 Evening 081 428 3002

SAA MAGAZINE advertises businesses for sale and auction of assets. Tel: 071-262-1164 Fax: 071-708-3464

Joopers &Lybrand

Coopers & Lybrand Corporate Finance has been retained to dispose of the following business

### Electrical Contractor

A privately owned group of companies wishes to dispose of its

- electrical contracting business: Based in Manchester, with operations primarily in the North West of England
- Turnover \$4m, with operating profit of \$150X
- Excellent customer base of blue chip organisations, with significant level of repeat work

For further Information please contact Martyn Boddy or Peter Clarkson. Coopers & Lybrand Corporate Phance. Richmond House, Rumford Piace. Liverpool 13 9GS. Tel: (051) 227 4242 Fox: (051) 236 2279

Solutions

On the Instructions of SV Freakley Esq. Joint Administrative Receiver of Eruptstar Limited (In Administrative Receivership)



BUCHLER PHILLIPS BAYSWATER London, W2 115 en suite Letting Bedrooms

1 Lift with 4 person capacity
3 Conference Rooms Bar. Restaurant, Lounge, Reception Convenient to Kensington Gardens, Queensway and two underground stations.

Profits likely to exceed £600,000 per annum Predominantly Freehold Offers in excess of £5,500,000



CHRISTIE & C2 Tel: 071 486 4231

Gerard Nolan

### **SOUTH GLAMORGAN**

Nursing Home-Registered for 33 - Planning consent for a further 42

- Detached period property - Currently run under management Freehold offers around £825,000

Bristol Office Ref. 34/1254 For further details contact Richard Lunn on 0272 744566

CHRISTIE & C2

t the LVD machine tool factory in Belgium, engineers have produced a jigsaw puzzle map of Europe. adorned with the company logo, that has been cut on a piece of blue foam rubber about balf an inch

A long way further east in Ukraine, automatic dismantling lines designed by ingersoll-Rand. the big US industrial equipment group, will soon be in place to begin dismantling more than 200,000 tons of surplus Ukrainian ammunition.

Tha link between these two events is water. LVD is one of the most recent entrants, while I-R was one of the pioneers in waterjet cutting technology.

This process is in use by, or being considered by, a wide range of industries from fish-finger manufacturers to stone and glass cutters. So far, automotive and aerospace companies bave been the biggest users of the process.

As is also the case with most technologies involving water, the basics of the process are aimple. Water is filtered, then passed tbrongh a powerful pump and intensifier. It is then squeezed out of a nozzle with a diameter varying from 0.1mm to 0.3mm, at a pressure of up to 4,000bar.

The result is a stream of water travelling at speeds ranging between Mach two and three. Alone, the water will cut through paper, frozen foods, thin wood, car interiors, sponge and rubher and certain plastics, but if abrasives are added it will cut through steel up to 150mm thick. Waterjet cutting is not that new - I-R introduced its first waterjet cutting systems in 1971 and found some of its first applications in the furniture industry. But the technology has come of

The result is a stream of water travelling at speeds ranging between Mach two and three

age and is generating increased

interest worldwide.

I-R is one of the leading players, along with another pioneer and US rival, Flow International. This pair dominates the industry, which also includes companies such as Indiana-based ASI Robotic Systems and Bystronic Maschinen of Switzerland. There are many smaller players offering niche products and buying in the pumps.

In the 1970s, the system was perceived to be too slow, says Paul Etchells, UK, Ireland and Benelux sales manager for ABB 1-R Robotised Waterjet Systems, a joint ven-ture between I-R and Asea Brown Boveri, the Swiss-Swedish engineerThe wateriet process has come of age and is creating interest worldwide, writes Andrew Baxter

# Industry on the cutting edge

ing group.
"But the initial problems have been resolved and since the early 1980s, we've bad highly reliable systems being used in high-volume

production," he says.

The introduction of abrasives has been the main driving force for the industrial development of waterjet cutting. A powdered ahrasive known as garnet is introduced through a tube into a tiny mixing chamber before the water leaves the nozzle. The water then acts as carrying agent for the abrasive, which moves almost as fast as the water and does the cutting.

This process has coincided with the growing use by automotiva and aerospace companies of materials ranging from sophisticated plastics and composites to aluminium and titanium. It has offered faster and more accurate cutting than traditional methods such as sawing, routing, or cutting with a hot wire.

At Rockwell International, for example, I-R's waterjet cutters were used on titanium components for the B-1B bomber, which would previously have been produced through a four-stage process of ink-ing, scribing, hand cutting and fil-ing. Waterjet cutting eliminated the first two stages and reduced the fil-ing, so that 12 parts could be cut and finished in the time taken to polish one part produced by sawing.

Aerospace companies have also found that hy using waterjets, they can cut composite materials without delaminating the edges. Delamination is an anathema as it can weaken the whole piece: "It would be like having a piece of cardhoard with a wet edge," says Ivan Lockett, LVD's UK managing director.

The second important development has been the tie-ups between robotics suppliers and vendors of waterjet cutting systems, such as the two-year-old ABB I-R joint venture. Once attached to a sophisticated, computer-controlled robot, a waterjet can move around and across a three-dimensional part such as a car dashboard, cutting the outline and creating the holes for

Along with car carpets and headliners - the inside of the roof -



rjet technology is capeble of cutting through steel up to 150mm thick

dashboards are the most popular applications for waterjet cutting in the automotive industry.

The advantages of waterjet cutting include its flexibility and easy maintenance. It produces no dust or toxic fumes and the component is not affected by heat distortion. There is no cutting tool to wear out, although the nozzle has to be changed occasionally.

But there are drawbacks. The pro-cess is noisy, although that can be

reduced by cutting underwater with the component just below the water surface. Although the basic running cost without abrasive is only £3 an bour, the cost rises to

£10-£18 with abrasive, says Etchells. Also, while the process uses very small amounts of water, because the jet is so thin, the abrasive cannot be recycled, and a typical metalcutting application will use 1kg every three minutes, according to LVD. Research is under way In Ger-

many to find ways to recycle the abrasive, which ends up wet and contaminated with bits of the com-

For thin metals - for example, steel up to 16mm - cutting with a laserjet can be five to 10 times faster. Beyond that, however, laserjets are much slower and rarely used, while the shininess of metals such as copper, brass and aluminium make it possible to cut only very thin sheets with lasers.

There are occasional problems, too, with the continuation of the waterjet after it has cut through the component. In three-dimensional work, situations can arise where the jet will damage a part of the robot, but cutting in water may provide the solution.

Nevertheless, waterjet cutting has built up an impressive reference list after more than 20 years. Most USbuilt airliners, for example, will have components produced by waterjet. Boeing will be using three big ASI robotic waterjet cutting machines for the tail section supports and other large parts for the

new 777 airliner. In I-R's Ukrainian contract, high-pressure waterjets will remove explosives from tank ammunition artitlery shells and mortar rounds without datonating it. The machines have been ordered by nesota-based munitions manufac-

LVD, meanwhile, entered the waterjet cutting market through an agreement with ASI last year to market the systems in Europe. The Belgian company is ona of the world's biggest producers of machinery for cutting, punching and bending sheet metal and sees waterjet cutting as complementary to its laserjat cutters.

In September, it introduced the Aquarius range of machines, mainly for cutting flat surfaces, but will also market ASI's 3-D systems in Europe. According to Jean-Pierre Lefebyre. LVD's president, Europe is a step behind the US in the application of waterjet cutting and the process could represent 10 per cent of LVD's business in 10 years.

In the future, waterjet cutting is likely to become increasingly integrated with other parts of the production process. This is already happening - ASI's system for the 777 tail section, for example, inspects the parts after they are cut. using a probe from Renishaw of the UK to carry out co-ordinate measur-

Not to be outdone, the ABB I-R joint venture recently won an order from Statoil Europarts, based in Sweden, for a robotised system that cuts, cleans, washes and dries vehicle instrument panels. It claims that this is the first time all four operations have been carried out in the same plece of equipment.

# A catalogue of developments

Graham Clayton on computer moves in the British Library

omputers can prise out nuggets of information from databases at speeds that narrow information searches down to seconds. This was just what the British Library wanted to achieve by computerising its catalogues, a process which has

just been completed.

But the volume of information to be handled was vast. The size of the catalogues from the library's various sites – such as the reading room at the British Museum, the science library in central London and the newspaper library in north London – was one of the biggest problems to be overcome. It claims to have 150m items in its collections, ranging from papyrus to CD-Rom, in every written

Most local libraries have a computer system to keep track of items loaned out, but in many cases the only way users can see searching card indexes or microfiches. This is because putting an existing catalogue on to a computer system is time-consuming and expensive.

Another problem is that the

British Library must also cater for toexperienced users. The solution is its recently unveiled Online Public Access Catalogua (OPAC) which uses equipment provided by Digital Equipment as part of a £1m sponsorship

This enables the user to search catalogues by responding to questions on a computer. Using software developed in-house, the system asks for details such as subject, author, title or publisher and finds the relevant material. The user looks at this and asks the system to note items of

This throws up a further problem. Since much of the material is of foreign origin, searches must be possible in the appropriate language. If a document was published in Russian, the system can display a Cyrillic "keyboard" on the . terminal screen and this can be used to type in a request. The user's first language may not be English, so the system will. be able to talk to users in one,

of six languages, currently Rnglish, four other western European languages and Russian. OPAC covers 6m items from

the catalogues of recent material in the science and humanities collections - 80 per cent of the printed books held in London. The system, which has just gone live, also includes carlier homanities material and the recent printed music catalogue. OPAC will really come into its own when the British Library

moves to its new site at St Pancras due to be completed after lengthy delays in 1996. Equipped with 150 terminals, it will be linked to a book-ordering and a mechanical handling system. The aim will be to have 90 per cent of all requested material delivered to the users within half

The system will also be linked to reader admission software so that it can build up an awareness of the level of skill of each individual user. By this means it will be able to offer much more help to novices, while allowing advanced users to build up complex searches with the minimum of prompting.

One further development means some users will not have to visit the library at all. A trial has just begun which uses the Joint Academic Network (Janet) to make OPAC available to other libraries, initially at University College London, and Brunel

University, near London. At first, librarions will act as gatekeepers to handle the system at these sites, but there is no reason why the facility should not be made available later on networks outside these libraries. The system will be formally launched on Janet at the beginning of next year with about 20 UK institutions taking part. There are also plans to offer simflar actest over public networks such as lineraet Most usees will welcome the advantages the new technology will bring, but none will miss the similarly atmosphere of the

old reading recent Maybe they can compensate by using a home computer to incover through the catalogues surrounded by their and books A Africa of the second of the



"My Singapore office covers the fastest developing regions in the world. We now compete not only with multinational companies, but also with local companies that are moving up aggressively. For a western company to succeed here, it's vital to have a long-term vision and commitment, plus the flexibility and open-mindedness to seize opportunities and come up with creative proposals. My staff and I have a double function: to be the eyes and ears for Akzo's business units in the West, and the hands

Akzo is one of the world's leading companies in selected areas of chemicals, coatings, fibers and health care products. Some 60,000 people, active in 50 countries around the world, make up the Akzo workforce. For more information, write or call: Akzo ny, ACC/F8, P.O. Box 9300, 6800 SB Arnhem, the Netherlands. Telephone (31) 85 66 22 66.

and feet of Akzo's customers in the East. Our first priority is to become partners to our customers. In Asia, it's even more true than in other parts of the world that you've got to create the right chemistry In your relationships before business is done."

CREATING THE RIGHT CHEMISTRY



Blt Bel

51 Va (60 ye: no un set coi he:

(32

oreign:

nents

# 'Kentucky' conquers Broadway

Karen Fricker finds Robert Schenkkan's epic play about American history a triumph

ew York has been waiting so long for the opening of Robert Schenkkan's The Kentucky Cycle that by now the facts are well known here. It is the first play ever to win the Pulitzer Prize (in 1992) without having played in New York, and at \$2.5m is the most expensive non-musical ever mounted on Broadway. The six-hour, two-part epic spans 200 years in the lives of three families in the Appalachian region of Eastern Kentucky, played by a cast of 21 led hy Stacy Keach and directed by Warner Shook, who also directed it in

Seattle and Los Angeles.
All this we knew before its opening last Sunday, but the \$2.5m question remained: was The Kentucky Cycle to join the ranks of plays which garnered extravagant praise in the regions, only to meet critical and audience indifference on Broadway? Its financial fate still hangs in the balance, but this much is sure: artistically,

The Kentucky Cycle is a triumph, a gorgeously written, ingeniously structured play given a reverent production featuring some of the most remarkable acting seen on New York stages in several seasons. Full of action, humour, danger and pathos, it is a searching journey through American history told through scene after riveting scene of people pushed to the extremes of human experience. The Kentucky Cycle joins Angels in America in reclaiming Broadway as the place where American theatre's best and most uncompromising visions can be displayed.

Shook'e staging, on Michael Olich's elegantly spare set, flows so naturally from the script that it is hard to imagine another interpretation, let alone a better one. When the audience enters, the stage is exposed - no curtain - to reveal a simple scaffolding structure that creates a simple scandiding structure that creates a large, bare playing area centre stage. The actors enter, while the house lights dim, and face the audience. A spotlight grabs a single actor, who announces the first of the play's nine sections: "Masters of the Trade'. The year is 1775. A small clearing in a thick forest somewhere in Eastern Kentucky. A creek flows nearby." "This Kentucky. A creek flows nearby..." This introductory ritual is performed hefore each section. The actors perform all set changes in view of the audience and never leave the stage, taking seats around its periphery to observe the action while they

"Masters of the Trade" introduces the scion of *The Kentucky Cycle's* central fam-ily line, Michael Rowen (Keach), and establishes the play's cracking pace. By the section's end, Rowen has ruthlessly killed two men to lay claim to the homestead that will provide his family its identity - and its strife - over the next 200 years. In the brief second section, "The Courtship of Morning Star". Rowen literally drags a Cherokea woman into his home to be his wife; she bears Rowen a son, Patrick, who is, as we soon see, "born with teeth."

are not performing.

The barrel-chested, basso-voiced Keach

the play he will give impressively varied portrayals not only of the first Rowen hut of four of his descendants; It is one of the production's delights to watch the 12 core cast members transform into generation after generation of characters.

These first two sections, however neces-

sary, are not the play's most compelling; it is in the third, "The Homecoming", that the Cycle really begins to spin. Patrick Rowen, now aged 16, commits a bloody act which recalls the house of Atreus and entairls similar results on his and future generations. "The Homecoming" also sets in motion a feud between the Rowens and their nearest neighbours, the Talberts, and introduces the third family line that figures in the Cycle, in the form of Sallie, a black woman whom Michael brings home to be the family's slave.

The play is now in its stride: the final chapter of Part I, "God's Great Supper". which takes the play through the Civil War years, is its most sction-packed; the first two sections of Part II, "Tall Tales" and "Fire in the Hole", which chronicle the mining industry's destruction of the land and the rise of the unions, are equally gripping; Gregory Itzin gives the play's outstanding performance as a salesman who hoodwinks the Rowens out of the mineral rights to their land.

The pace wanes in its final two sections. The penultimate, "Which Side Are You On?", is so heavy with union/owner machinations that we lose track of the family story: that of Josh Rowen, whose choice of

corporate responsibility over family loyalty hrings about a tragedy that severs the family line. And in the final chapter, "The War on Poverty", set in 1975, there is too much banter before the play moves to its inevitable, and inevitably moving, end as Josh Rowen literally huries his past while his ancestors bear witness.

While situations and relationships in The Kentucky Cycle echo Shakespeare and Greek drama, in scope at least, its specific theatrical reference points are distinctly American: its themes of workers' struggle to maintain self-respect and identity, the deht owed to family, and the moral price of betrayal recall, in turn, Odets, O'Neill, and Miller. The play's most affecting mes-sage is its debunking of that most American of myths: the eternal frontier. The world of the play sickens as man's distance from the land grows; the play's most heroic characters are those closest to nature; and the only closure possible for the last of the Rowens is achieved alone on his land with his hands in the earth. It is appropriate that a play with such a strong evironmental theme should be pro-

strosities of West 45th Street? The play can be viewed in a day-long marathon or on successive evenings. Tickets come dear - \$100 - but there is nothing on or off-Broadway that matches The Kentucky Cycle for entertainment, theatricality, and food for thought.

duced on Broadway: what could hring its message home more fully than emerging

with a sickening jolt, to the urban mon-



Tuck Milligan, Stacy Keach and Ronald Hippe

# Wayward spirit from St Ives

William Packer reviews Roger Hilton at the Hayward Gallery

he opening last summer of the Tate's new gallery at St Ives and the Ben Nicholson retrospective running on into the New Year at the parent Tate on Millbank, have emphasised the role of the school of St Ives as a crucible of British modernism. The somewhat smaller retrespective of the work of Roger Hilton that has just opened at the Hayward can only keep that interest alive.

While any serious reassessment of the received critical wisdom is necessarily a good thing - on whether or not Paris before the war, and was respondthat immediate post-Nicholson, postwar generation of which Hilton was a asso abstraction of such painters as Bispart made a significant contribution on . siere, Manessier and Bazaine, Pollakoff, Hilton's own standing is not quite so

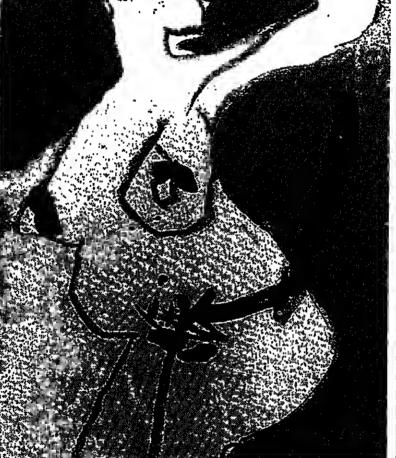
The difficulty with Hilton is not that he died young, which he did not - he was 64 when he died of a stroke in 1975 - but rather thet his reputation carries with it a romantic aura of wildness, dissipation and talent cut off unfulfilled. The curious thing is that it works to his advantage independent of the paintings themselves. We look at the collective achievement of his peers, at Heron, Frost, Lanyon, Gear and Scott, who proved more consistent, dogged and workaday in their careers, and still we tend to say: ah, but Hilton's was always essentially the more original, the more brilliant talent: what a pity he died so soon.

There is certainly no denying him his place in British abstraction of the 1950s and 1960s, in particular in the evolution of the imagery and sensibility peculiar to St Ives. In his work almost from the start we find that characteristic, decorative lightness of touch, those swooping linear motifs, the flat, frontal, unmodulated areas of paint, those combinations of colour, so bold and pure, white and black, ochre and umber, orange and scarlet. And there, too, is the intelligent, sensitive response to the abstract expressionism that in the 1950s was sweeping in, and all before it, from New York. The St Ives position was sympathetic, yet properly independent and distinctive and in international terms it has still to be given its due acknowlment. Hilton was part of it.

But he is no longer so special. The curious effect of this selection of his work is to make that of his absent friends, and that of Terry Frost in particular, seem the more substantial, thorough and sustained. The chronology is a revelation. Through the late 1940s he was picking up again the interests and contacts he had formed in ing particularly to the newer, post-Picturn of that decade he was clearly influenced by Victor Pasmore at just the moment when he was "going abstract" so controversially, and he was also in touch with William Gear, Patrick Heron, Adrian Heath and Terry Frost.

So he was one among many, an artist responding to the currency of the visual dehate rather than leading and influencing it. He was certainly quick on the uptake, intelligent, sensitive and, ahove all, articulate in his responses and blessed with a marked technical facility. Wearing his New Statesman critic's hat, the painter Patrick Heron said as much in his review of Hilton's show at Gimpel Fils in 1952: "Roger Hilton is a natural inter. That is to say be cannot put a brush to canvas without creating a splotch, smear, streak, stain or smudge...that is charged with expressive quality . . . The precise character, tha texture, size, colour, tone, direction and rhythm of each ragged touch is his main conscious

preoccupation." The trouble was that this preoccupation became more and more perfunctory as the years went by, the line, whether in paint or charcoal, more suggested than certain and established, the painted surface often barely more than an indication of intent. He had his successes, certainly, for he was being



Romantic aura of dissipation: 'Nude', 1974, by Roger Hilton:

shown widely abroad by the early 1960s. both commercially and officially, at the Documenta of 1959 and the Venice Blennale of 1964. And yet time and again in this show we find that what was once construed as energy and commitment to be manifest desperation. With his alcoholism an ever-present and worsening condition, he had plenty to be desperate about; yet the old energy, fluency and invention never quite deserted him. It was only the final resolution of promise into real

achievement that was missing. Indeed he, and we, might have been better served by a comparative study that set him alongside his peers, Prost, Gear and Pasmore, in the context of the 1950s. By a happy chance, two new, albeit small displays, at the Tate at Millbank and et St Ives drawn from the permanent collections, offer us et least e view of the work of Terry Frost in that period. "A Walk along the Quay"

at St Ives is especially useful, focusing upon Frost's imagery at the critical stage in its evolution from associative to absolute abstraction. The boats rocking in visual counter-point on the tide, or tipping all ways on the sand. the gulls swinging on the sea hreeze, the sunshine glancing off the waves - it is all there. Frost saw and responded directly to it. More to the point, while lacking Hilton's conspicuous fluency of touch and statement, he worked upon it consistently to produce over a period a body of work of true substance and creative authority. And having established it, he has stuck to it all

Roger Bilton: The Hayward Gallery. South Bank Centre SE1, until February 6, then on to the Ikon. Birmingham, and the Whitworth, Manchester. Terry Frost: "A Walk along the Quay"; The Tate Gallery, St Ives.

### Opera in Geneva/Andrew Clark

### Cenerentola' finds a star

o sooner has Marilyn Horne made her European farewells as queen of Rossinian bel canto than another American picks up the crown. Jennifer Larmore ls no stranger to this side of the Atlantic: her Handel recordings have announced a voice of exceptional beauty, and her initial stage appearances showed promise. But it is only recently that her talents have come into focus, confirmed by her Angelina in the new production of La Cenerentola at Geneva's Grand Theatre.

She has a perfectly-formed figure, a natural smile and a gracious manner: this Cinderella is Princess Charming from ber first appearance, no matter what her dowdy servantclothes might say. This helps win the heart not just of her prince, but of the audience - a recent Offenbach productions. major advance on her Dora- he never runs out of Ideas. bella in Cosi fan tutte two sea- even if the scampering crescen-

sons ago. Rossini's demure damsels seem Larmore's natural territory, with Teresa Berganza her model rather than Horne. The timbre is aristocratic - plush velvety and eventhroughout the range. She may lack Horne's exciting top and stentorian chest register, but she is no mechanical note-spinner: the musical syllables fall naturally within the framework of unbroken lyrical melody. All she needs now is a more pronounced theatrical personality.

Larmore will be lucky to find a production as good-humoured as Jérôme Savary's in Geneva: it is one of the best things he has done. Using Ezio Toffolutti's unostentatious painted sets. Savary goes unashamedly for laughs, without overshadowing the musical quality. Unlike some of his

dos gather a farcical momen tum more in keeping with French operetta than Rossini's melodramma giocoso. That the result is so satisfying owes much to the alert accompaniments provided by Jesus Lopez Cobos and the Lausanne Chamber Orchestra.

Carlos Chausson's Don Magnifico is a crusty old devil with split-second comic timing. As the sisters, Jeannette Fischer and Claire Larcher make a virtue out of vulgarity. Kristinn Sigmundsson is a benevolent bear-like Alidoro, Alessandro Corbell the diminutive Dandini. Rockwell Blake's reedy timbre may be a matter of taste, but he is a suave stylist and looks the part of the handsome prince. Cenerentola is an opera of ensembles - and an ensemble as you will find.

Performances tonight, Friday.

he Royal Festival Hall is hardly ever used for solo vocal recitals these days. In the 1970s an attempt to put on a week of singers met with disastrous attendances and a description of the hall as looking like a "deserted air-

craft hangar". It is clearly important to know one's audience. Not only was the hall packed for Jessye Norman on Sunday afternoon. there was a queue for returns (despite a £50 top price). Inside the atmosphere reeked of adulation. There comes e point where it is difficult to hear the music for the clamour of applause that greets a star singer whose fame has spread beyond the usual boundaries.

To Jessye Norman's credit, she managed to hold off the temptation to play the celebrity until the end. She takes her song repertoire seriously and has always wanted to be recognised in it. Unfortunately.

### Recital **Jessye** Norman

seriousness of intent can lay a dead hand on a singer's best efforts in the world of the German Lied and it was a while before this programme showed much sign of life.

Dutiful enunciation of the words, careful gradation of tone, nothing flagrantly out of style: all manner of worthy descriptions could be given to the the first balf Schumann and Strauss songs, hut the music simply failed to come alive. Norman is not good at keeping the momentum going at slow speeds and pensive songs tended to drift without purpose. Strauss's "Cācille" fast, loud, exuberant, sparkled like a firework after the gloom. For the second half, the programme turned to Messiaen

and Schoenberg - a daring choice, amply rewarded. The music of Messiaen's Poèmes pour Mi inhabits a post-Wagnerian hot-house of opulent harmonies, which support grand and sensuous vocal outpourings of a kind that Jessye Norman can not just handle, but positively enjoy. The whole recital lifted and that was not least thanks to Geoffrey Parsons's effortlessly stylish sup-

port at the piano. The Messiaen had unlocked the singer's personality; the Schoenberg (his Brettl Lieder, recently recorded together with Erwartung) allowed it to blazen forth for her admirers. Jessye Norman made sure that the songs had an impact at the back of the top tier. The date for her 1994 recital has already heen set and so have the prices (the same again). Clearly she has an optimistic view of inflationary trends in the UK over the next twelve months.

Richard Fairman



### AMSTERDAM

Concertgebouw Tonight: Leonard Slatidn conducts Saint Louia Symphony Orchestra in works by Barber, William Bolcom, Claude Baker and Gershwin, with flute soloist James Galway. Tonight (Kleine Zaal): Udo Rainemann sings Schubert'e Winterreise. Tomorrow, Thurs: Hartmut Haenchen conducts Royal Concertgebouw Orchestra in Gluck, Mozart and Mandelssohn. Fri: Mariss Jansons conducts St Petersburg Philharmonic Orchestra in Berlioz, Sibelius and Rakhmaninov, with violin soloist Maxim Vengerov, Sat. Netherlands Chamber Orchestra plays Beethoven and Mozant, with solvists Maria Joao Fires and Augustin Dumay. Sun Remoon: Radio Philharmonic Orchestra and Chorus plays Webern, Hartmann, Boulanger and Boulez, Next Tues: Frans Brüggen conducts Orchestra of 18th Century. Nov 24, 25, 28: Haitink conducts Royal Concertgebouw (24-hour

information service 020-675 4411

ticket reservations 020-671 8345)

Mon: Christophe Rousset conducts Pierre Audi's new production of L'incoronazione di Poppea, with Cynthia Haymon and Brigitte Balleys also Nov 25, 28, 30). Nov 28: Philip Glass solo piano (020-625 5455)

### ■ ANTWERP

Leonard Station conducts Saint Louis Symphony Orchestra in works by Claude Baker, Beethoven and Richard Strauss tomorrow at deSingel, with plane soloist Rudolf Buchbinder (03-248 3800). Flanders Opera gives concert performances of Samson et Dalila on Sun and next Tues, with a cast led by Vladimir Popov, Florence Quivar and Jean-Philippe Lafont (03-233

### **■ BRUSSELS**

Palaie des Beaux Arts Tonight: Emerson Quartet plays Schubert, Rihm and Beethoven, Thurs: Philip Ellis conducts Belgian National Orchestra in Haydn, Prokofiev and Franck, with violin soloist Augustin Durnay (02-507 8200)
Monnale Tonight, Thurs: Antonio Pappano conducts Guy Joosten'e new production of Carmen, with Kathryn Harries and Richard Margison. The production returns for a second series of performances starting Dec 21 (02-218 1211)

### **■ CHICAGO**

CHICAGO SYMPHONY Georg Solfi conducts works by Stravinsky, Mendelssohn and Reethoven on Thurs and next Tues, with piano soloist Patricia Pagny. Kenneth Jean conducts works by Morton Gould, Grieg, Respighi and Copland on Fri afternoon. Pierre Boulez opens e three-we residency on Nov 26 (312-435 6666)

CHICAGO LYRIC OPERA Cosi fan tutte and Die Walküre are in repertory at Civic Opera House over the next three weeks. Peter Hall's staging of the Mozart is conducted by Andrew Davis, with a cast led by Carol Vaness, Delores Ziegler, Keith Lewis and Jeffrey Black. August Everding'e new production of the Wagner, conducted by Zubin Mehta, opens next Tues with Eva Marton, James Morris, Siegfried Jerusalem and Tina Kiberg (312-332 2244)

### ■ GENEVA

Grand Théâtre Tonight, Fri. Sun: Jesus Lopez Cobos conducts final performances of Jerome Savary's new production of La Cenerentols with Jennifer Larmore and Rockwell Blake (022-311 2311) Victoria Hali Tomorrow: Günther Herbig conducts Orchestre de la Suisse Romande in Brahms' First Piano Concerto (Radu Lupu) and Second Symphony (022-311 2511) Comédie John Millington Synge's 1907 tragi-comedy The Playboy of the Western World runs daily till Sat. Next week: Cornellie'e La Place royale (022-320 5001)

### **GHENT**

Flanders Opera gives concert

performances of Samson et Dalila tonight and Fri, with e cast led by Florence Quivar, Vladimir Popov and Jean-Philippe Latont (091-225 2425)

### THE HAGUE

Dr Anton Philipszaal Tonight: Hague Philharmonic Orchestra and Chorus in Bach'e B minor Mass. Thurs: Cantarnus Alati in choral music by Schubert and Mozart. Fri, Sat: Yevgeny Svetlanov conducts Hague Philharmonic Orchestra In Mahler's Ninth Symphony. Sun: Nøtherlands Chamber Orchestra plays Beethoven and Mozart, with Maria Joao Pires and Augustin Dumay (070-360 9810) AT&T Danstheater Thurs, Fri, Sat: Nederlands Dans Theater in choreogaphies by Jiri Kylian. Sun afternoon: Ballet Teatro Espanol de Rafael Aquilar in a programme entitled Carmen Flamenco (070-360

### **■ VIENNA**

Konzerthaus Wien Modern: Vienna's contemporary music festival continues till Nov 26. This week'e events include concerts tomorrow and Thurs by Docklande Sinfonietta conducted by Sian Edwards, with music by Harrison Birtwistle, Jonathan Harvey and Takemitsu. Friedrich Cerha and Hans Zender conduct their own works on Friday and Saturday (712

Musikverein Tonight: Trio di Triesta plays piano trios by Brahms and

Schubert, Fri, Sat, Sun: Leopold Hager conducts Vienna Symphony Orchestra and Chorus in works by Debussy, Saint-Saens and Honegger, with cello soloist Matt Haimovitz (505 6190) Staatsoper Tonight: Il barbiere di Siviglia. Tomorrow: Madama Butterfly. Thurs, next Mon: new production of Kenneth MacMillan's ballet Manon. Fri: Carmen with Graciele Araya and Luis Lima. Sat: La boheme. Sun: Don Glovanni with Renato Bruson and Nancy Gustatson (51444 2955), Fri at Volksoper: Anja Silja stars in The Makropoulos Case (51444 2959) Kammeroper Tomorrow: first night of new German-language production of Rossinl'e La scala di sieta, directed by Borls Pokrovsky (513

### **■ WASHINGTON**

### MUSIC

 Tonight'e National Symphony Orchestra programme at Kenned Center Concert Hali le conducted by Zdenek Macal and features symphonies by Berlioz and Howard Hanson. Thurs, Fri, Sat, next Tues: Jiri Belohlavek conducts Grieg, Janacek and Dvorak. Sun: Pinchas Zukerman and Itzhak Periman play duo sonatas (202-467 4600) The opening production of

Washington Opera's 1993-94 season is Donizetti's Anna Bolene, starring Nelly Miricioiu. Next performances: Nov 18, 20, 23, 26, 28 (202-416 7800) David Zinman conducts

Balomore Symphony Orchestra at Baltimore's Joseph Meyerhoff Symphony Hall on Thurs, Fri and

Sat, in a programme including Rakhmaninov's Third Piano Concerto with soloist Bruno Leonardo Gelber (410-783 8000) George Mason University'a Center for the Arts has a jazz concert by Uptown String Quartet on Fri, and the Warsaw Philharmonic Orchestra on Sun, playing works by Mozart and Tchalkovsky (703-993

### THEATRE

 Fences: August Wilson'e Pulitzer Prize-wirming play about a former Negro Leagues baseball player and his struggle to scale life's barriers. Opens on Thurs (Center Stage 410-332 0033)

Dancing at Lughnasa: Brian Friel's play about five Catholic sisters in 1936 Donegal. Till Jan 2 (Arana Stage, Kreeger Theater 202-488 4377)

### ZURICH

Tonhalle Tonight, tomorrow, Thurs: Heinz Holliger conducts Tonhalle Orchestra in works by Bach, Veress and Beethoven, with soloists including Andras Schiff. This le the first programme in e three-week series featuring Holliger and Schiff (01-261 1600) Opernhaus Tomorrow: Cosi fan tutte. Thurs: Die Zauberflöte. Fri: Il barbiere di Siviglia, Sat: first night of Bernd Bienert'e new production of Glazunov's ballet Raymonda (repeated Nov 21, 24, 26, Dec 1, 5, 16), Sun afternoon: Nello Santi conducts Jonathan Miller'e production of Faistaff, with Juan Pons. Nov 23, 27: Baltsa sings Fedora (01-262 0909)

ARTS GUIDE Monday: Berlin, New York and Paris. Tuesday: Austria, Belgium, Netherlands, Switzerland, Chicago, Washington. Wednesdey: France, Germany, Scandinavia.
Thursday: Italy, Spain,

Friday: Exhibitions Guide. Eurnpean Cable and Satellite Business TV (All times are Central Euro pean Time)

Athens, London, Pragua.

MONDAY TO THURSDAY Super Channel: European Business Today 0730; 2230 Monday Super Channel: West of Moscow 1230, Super Channel: Finencial Times Reports 0630 Wednesday Super Chan-nel: Finencial Times Reports 2130 Thursday Sky Newe: Financial Times Reporte 2030: 0130 Friday Super Channel: European Business Today 0730; 2230 Sky News: Financial Times

Reports 0530 Saturday Super Channel: Finencial Times Reports Sky News: West of Moscow 1130; 2230

Sunday Super Chennel West of Moscow 1830 Super Channel: Financial Times Reports 1900 Sky News: West of Moscow 0230; 0530 Sky News: Financial Times Reports 1330; 2030

But the concrete sarcophagus erected burriedly over the ruined shell is now cracking. and the red and white striped chimney is propped up with metal girders. This summer the Ukranian government called for suggestions from international companies on how to repair the crumbling structure, but believes none of the suggestions so far would contain the radiation. "The government is now inviting institutions and scientists to brainstorm s solution," says Mr Vladimir Holosha, deputy minister in the town of Cher-

But patching up the sarcophagus may be the least troublesome consequence of the Chernobyl disaster. The explosion heavily contaminated much of Belarus, Ukraine and Russia with radiation; and the consequences for the local populations' health are still unknown. Last week, a delegation from

the European Commissinn and European Parliament spent three days in Kiev and the contaminated zone, accompanied hy western cancer and radiolngical scientists, some of whom have been studying the effects of Chernohyl since the accident. For two years, the the European Union, which has contributed Ecu 14.2m (£11m) to 16 research projects in the region, has been attempting to help the republlcs prevent contamination spreading, to advise on medical treatment, and to help estimate the long term effects on health. Now many members of the team believe a critical point is near if the environmental problems are not to worsen and if the impact on bealth is ever to

be properly assessed.
The environmental problems were hrought home to the Ukrainian government earlier this year when 6,000 hectares of the highly contaminated pine forest surrounding the plant caught fire in the summer heat, sending a new cloud of radioactive dust over the

The Immediate danger to Kiev's water supply has been alleviated by a 12km dyke built to trap and divert water from the abandoned fields north of the plant. Radioactivity in those areas from the strontium and caesium in the soil, which

# A fall-out among friends

Bronwen Maddox on Chernobyl's legacy



No entry: farmland poisoned by the Chernohyl nuclear fallout

saying there will be no effect

just that much of the cancer

we expect will not show up for

years," says one member of the

Scientists are agreed on one

count: there has been a sharp increase in thyroid cancer in

children from exposure to

radloactive iodine, a disease

that is normally extremely

rare. A panel of experts work-

ing for the European Commis-

sion have confirmed 186 cases

in Belarus between 1986 and

consensus is that there is a

republics are not backed by

such firm data. Part of the

problem is the republics lack

past health data on which to

bose comparisions, For

instance, Belarus says it has

detected an increase in hepati-

tis, and in breast and stomach cancers, while Ukrainian offi-cials report "high psychologi-cal stress" among their people.

According to some of the scl-

entists accompanying the

link with the accident". However, other claims by the

mid · 1993.

Ukraine and

Belarus report

that three chil-

dren have died.

protection

research unit,

says "sclentific

European group.

seeps into the water, deliver the same dose in four hours that people in the UK receive from background radiation in a

But the worst problem may lie in the 600 pits of waste from Chernohyl and the surround-ing area buried hurriedly near the plant in the months after the explosion. Scooped out of the sandy soil, some of the pits are not lined with clay. The danger is radiation will wash

down into the water table. Mr Rnlf Linkohr, official The worst responsible to problem may lie the European Parliament for in the 600 pits of dren have died. overseeing the joint research waste buried near naeve, head of the Commisprogrammes. the plant after the sion's radiation cnntamination explosion of the acquifers

ls not a prohlem, hut it may be in 10 years." Even harder to predict is the effect of the disaster on the population's health. The effect of radiation on the human body, particularly in damaging the cells' genetic material, may not be visible for years.

According to the western scientists with the delegation, only 42 deaths so far can definitely be attributed to Cherno-byl accident. This is in sharp contrast to the Ukrainain government's claim that 8,000 people have already died because of the disaster. "We are not

cannot be linked to the radiatlon, or, in the case of increased stress, cannot be

measured scientifically.

Mr Hans Storm, an epideminologist with the Danish Cancer Society, who accompanied the visiting team, says: "Hepatitis that linked to redistion expois not linked to radiation exposure, and cancers caused by Chernobyl are not expected to show up for years." He adds that the increases in hreast cancer may be real, but may be attributable to other causes.

The European delegation wants the joint research programmes to improve the quality of health and environmental data quickly so that the effects of the radiation can eventually be measured. Several scientists with the group emphasised that, if the health of the population was not accurately assessed now and the most-exposed people identified and monitored, even that modest aim may be frustrated.

"A third of people get tumours anyway. Our hest guess is that there may be a 1 per cent increase in that number, or some may get cancer done. We will miss that if we don't put monitoring systems in place now," one scientist

But some of the group have also questioned whether the republics are tempted to claim more than is scientifically justifiable to attract more western

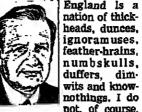
One memher of the group said privately: "There is a gap between what we are offering and what they want."

At the heart of the three republics' problem is that they have only recently hegun to shake off a culture where scientific research was employed to meet political ends and where official statistics were mistrusted both by the population and by outside ohservers. Lack of comprehensive data on the population bas left the region ill-equipped to estimate the environmental and health impact of the disaster; it may, too, make getting outside financial support more diffi-

Mr Storm says: "There is no question Chernobyl was a disaster. The land is closed and poisoned, maybe forever. But for the people living there, we just do not yet know bow big a disaster it may be." The three republics do not need to persuade the outside world that Chernobyl was a catastrophe; they may need urgently to repair the shortcomings of their research if they are to get the help that they

### Joe Rogaly

# If the dunce's cap fits



not, of course, refer to you or me, but to those other falk ovar there. Her and him and them. Where else would football hooligans breed so profusely? Who else would buy British tabloids? Who else would watch Jeremy Beadle? Who else would elect our politicians?

We know the answer. It could only be the great semieducated, half-literate core of England. "In Germany," it was noted by a Royal Commission on Technical Instruction in a report delivered in 1884. "the dense ignorance so common among workmen in England is unknown..." Wait a minute. That was, er, let me see ... 1993 take away 1884 ... where's my calculator . . . 109 years ago. Nn comfort there. The story is not very much more encouraging today. Take some statistics as fresh as 1990. In that year about 68 per cent of young Germans obtained an upper secondary school qualification at age 18-plus. The comparable figure for Japan was 80 per cent, and for France 48 per

British score was 29 per cent. These statistics are reproduced in a table in the report of the National Commission on Education, published yesterday. We must digress for a moment on the origin of this commission Sir Claus Moser born in Berlin and recently retired as warden of Wadham College, Oxford, is a distinguished statistician who has spent half a century in British public life. In 1991, as president of the British Association for the Advancement of Science, he called for a royal commis-

cent. Hold your hreath. The

sion of inquiry into the lamentable state of education and training. The government turned his idea down flat.

Undeterred, Sir Claus encouraged the British Association to set up its own study. The British Academy, the Royal Society, and the Royal Academy of Engineering lent support. The Paul Hamlyn Foundation picked up the tab. In consequence, the privatisation of royal commissions may have been established. A fresh source of material for British political debate has heen opened up. Mr David Sainsbury and other creators of cash-rich foundations will doubtless be presented with ingenious new ways of spend-

well-learned from the Fords, Rnckefellers and other American benefactors. That is a fringe henefit. We must all he grateful to Sir Claus and the names in his

suggestion contact-hook for the report itself. Puhlished as a paperback by Heinemann at £4.99 it is serious stuff. It presents a convincing case for shifting another hillion or three into education, on the ground that the present level of expendi-ture, even allowing for the improvements implicit in the government's reforms, is not adequate in a global market in which competitive advantage will accrue to the countries with the best-educated work-

Before anyone has apoplexy, let me dispose of those few billions. The report suggests that the extra spending might be phased in, reaching a rate of £3.2bn a year by the year 2000. About a quarter of it would finance pre-primary schools,

making Britain, which offers publicly-funded places to less than half its toddlers, competi-tive with France and Belgium (95 per cent), Denmark (85 per cent) and Germany (77 per cent). Most of the rest would go into primary schools. The commission suggests improved efficiency savings of £500m and the payment by

£1.3bn towards higher education. Net addition to public spending at the end of the century: £1.4bn. Impossible, says the educa-tion secretary, Mr John Patten. That is helpful. If Mr Patten opposes something, we can be sure that it is an excellent sug-

gestion. His principal achieve-

students and private patrons of

ing their money. The lesson is ment since joining the cabinet in April 1992 has heen to stop the reform If John Patten, the education secretary, opposes its tracks. Ha managed this something, we all alone. The prime minister, in a tightish can be sure that it is an spot himself, is excellent keeping Mr Patten on a while

to see if he can preside over the undoing of the damage. If he fails, it will make nonsense of the government's profestations that rigorous education is one of the basics it intends to get back to.

Let me say at once that, as the Moser commission acknowledges, the reform pro-cess initiated by the Conservatives two years before they booted out Lady Thatcher is the most encouraging event in Britain's educational history since the Butler education act of 1944. More structured teaching, a national curriculum and regular testing are all necessary components of any sus-tained effort to improve British state education. It has always been evident that this is a

have completed its task for a

Alas, the reforms have become bogged down hy Mr Patten's pride, the consequent recalcitrance of the teaching unions, the Treasury's unwillingness to finance change, and the Conservatives' obsession with their campaign to obliter. ate local authorities. The process will surely recover from all of these ailments. The logic of Mr John Majnr's focus on education reform should see to that. What the government should now take on board is the extra push, the freshly radical look, that the Sir Claus's

report provides.
The mnney, even in the febrile atmosphere of a £50bp budget deficit, is a bagatelle. A few miles a year off the roads programme would take care of it. That way, less of England would be paved over, and more English minds would be opened. Anyhnw, there are many sensible suggestions that would cost little or nothing. One is the proposed merger of education and training at all levels of government, starting at the top and reaching down to local education and training boards. Another is n broader school-leaving qualification, to replace A-levels, which are too academically-focussed. The new General Education Diploma would recognise voca-tional achievements. Teachers should be graduates, profes-sionally-trained, and, in due

course, properly paid. The report is not only about education for employment. It addresses the breakdown in society, the "family" and "crime" and "inner city" matters about which there has been so much Tory hand wringing in recent weeks. Its proposals go to the heart of these problems. Watch our politicians for a few days. Mark as dummkopf say who ignore the thrust of the National Commis

### LETTERS TO THE EDITOR

Number One Southwark Bridge, London SEI 9HL Fax 071 873 5938. Letters transmitted should be clearly typed and not hand written. Please set 50 for faces resolution

# Tax switch would undermine pensions

From Mr Ron Amy. Sir. For the past two years,

since £400m disappeared from the Maxwell pension funds, the pensions industry has not wavered in its pursuit of restoring confidence, stability and security.

£10bn of actuarial asset value which was stripped from pension funds in the last budget and which is now costing British companies and pensioners £500m a year. And now. John Maples (Personal View.

November 12) suggests that the government goes further and takes £100bn from Britain's pension funds - the equivalent of 250 Maxwell scandals.

He says the government should tax pension contributions instead of payments. But We were dismayed by the | could we trust future governments to resist the temptation ing a higher tax yield? Like the Maxwell pensioners, millions of people would have no guarantee that their pension

Taxing pension fund contributions, rather than pensions; Pension Funds, is an idea which has, in the Lordon SWIW ODA

would not be hit when they with more heed for private retired.

Mr Maples suggests that decline in real terms, the there would be no public out government should not be cry. Even if the government undermining the efforts that did not go anywhere near as individuals are making in far as he recommends, there is order to provide for their clear evidence that there retirement by seeking to raise would be an anary reaction. But they researce from pension from pensioners and pension finds.

to adjust

From Mr P J Robinson.
Sir, In "A bureaucratic legacy" (November 5), the authors

assert that the growth in huild-

ing society staff numbers between 1989 and the present

day is a result of those societies' inability to adjust their

management structures and

bureaucratic practices, better

to reflect the current husiness

This view is two-dimensional

at best. It takes no account of

diversification into related financial activities or growth.

both organic and by merger.

For my own society, the four

French mortgages to savings

in the Channel Islands, have

been established. In addition,

environment.

### Small is not best council structure

From Ms Janet Jones. Sir, Margaret Singh's claim (Letters, November 5) that the Association of District Councils does not wish to squabble with counties will cause a hollow laugh in county councils which have watched the Association of District Councils and its member authorities do little else for the last six years in their sordid campaign to abolish county councils. So will her claim that the districts' prime

concern is with the provision of quality services. I remind Margaret Singh that Labour party support for unitary authorities is linked to the establishment of regional gnvernment. The twn go together. Since the last thing Mr David Curry, the local government minister, will give us is regional government, the last thing we need is the small unitary councils advocated by the ADC. What is needed is a local government structure capable of the strategic planning and effective delivery of key services. That is what

county councils do well. Whatever political parties may propose, there is no evidence that the British public has any enthusiasm for changing local government structures or for paying the inevita-hly large hills this entails. Quite the opposite. People are more concerned to have good and responsive services provided at the lowest possible cost. If the ADC is serinus ahout promoting better services it should set aside its obsessions with reorganisation and encourage its member authorities to get on with the job for which they have been established and democratically elected - and in which they will continue to find county councils willing partners. Janet Jones.

leader, Labour Group, Cambridgeshire County Coun-Shtre Hall, Castle Hill,

A better vision of Europe Well able

From Lord Haskel. Sir, I am sure that many of your readers shared my sur-

prise at the hysterical tone of Mr Alan Sugar's attack on Mr John Smith after his statement at the Congress of European Socialists (Letters, November 10). Mr Sugar was obviously outraged that there should be any view on unemployment in the European Union other than one which relates to his nar-row personal husiness interests. Certainly the views of Mr Sugar may prop up his share price hut the cost is paid hy us all at the thousands of Social Services Offices throughout

Europe where the the debris of unemployment is picked up.
Thankfully there are people
like Mr Smith and his colleagues who have more vision. They take the wider view that

during this recession all of us in the European Union should act together and make sand-fices to try, to preserve Jobs because this is less wasteful of the investment in equipment and training which has gone into those jobs. It also causes less human misery. They hope that these jobs will flourish after the recession and, indeed, have proposals for a fund to help their plan succeed.

This broader vision deserves

serious consideration and will get it from the majority of people who work in industry perhaps even from some of Mr Sugar's employees. Lord Haskel

Labour finance and industry group. House of Lords. Westminster

### Both values must be explained

From Mr M F Creamer. Sir, Tha initiative of Clive Lewis, president of the Royal Institution of Chartered Surveynrs, in establishing a review of valuation procedures is laudable (Letters, November

The Queens Moat valuation controversy is, however, cur-rent and should not await the outcome of Michael Mallinson's review. I would urge Clive Lewis to ensure that the assets valuation standards

committee fully reviews both Queens Moat valuations and that its report carries a clear explanation of the differences

and is made public. If this does not occur then the surveying profession will lose credibility in the business environment where it is striving to obtain better recogni-

M F Creamer, Hillier Parker May & Rowden 77 Grosvenor Street, London WIA 2BT

### years between 1989 and 1992 have seen substantial changes. No fewer than seven subsidiary companies, spanning life assurance to unit trusts and

the society has undertaken an important merger and has seen assets increase by 54 per cent

Taken overall, rationalisation following the merger has resulted in a reduction of staff numbers in real terms, illustrated by a 46 per cent increase in assets per head. P J Robinson

Woohvich Building Society. Watling Street

### Local authorities risk prejudging Tupe issue employs existing staff.

From Mr Tony Baldry MP. Sir, Your article "Rule clash may force tendering change" (November 12) contains several factual errors that unless corrected are bound to mislead. There is no conflict between

the transfer of undertakings regulations (Tupe) and the EC Procurement Directives. Certainly, councils prejudging the Tupe issue risk breaching those directives, which require fair competition between contractors in different member states. Authorities cannot

It is not for local authorities to dictate in advance whether Tupe applies when they put their services out to tender. This will depend on the contractor's proposals. Most local authorities are taking the proper approach allowing con-tractors bidding for local gov-ernment work to put forward their own ideas about the best

way of carrying it out.

In March, the government issued guidance stating that the way the work is to be done

Tony Baldry,

Department of the Environment,

2 Marsham Street, insist that a contractor would determine whether the London SWIP 3EB

Tupe regulations would apply. Therefore, it is not possible to decide whether Tupe applies until the contractors' proposals are seen. We have issued further guidance to councils about this: if they prejudge the issue, and restrict the range of proposals they are prepared to entertain, I will not hesitate to use the powers available to the in law to take action against

WA! WAKEIE - WAKELE KATHIEK M. DENONGHIRE Crarders and other IMPRessive addresses.

TOOD Service isn't a

hen Mc Culloch. Proprietor of One Devonshire

mystery-employ nice people.

51 (6(

B16 Bel

### Tuesday November 16 1993

# Mr Delors in absentia

THE ANNUAL conference of the Confederation of British Industry provides a curious snapshot of British attitudes to Europe. Ostensibly, all is now sweetness and light between the CBI and the UK government. Last week's squabble over the CBI director general's alleged criticism of the government has been ostentatiously forgotten. Each side loads the other with compliments and assurances of unanimity. Both are united in criticism of Mr Jacques Delors, whose speech to the conference, delivered by proxy from his sick bed yesterday, was the only jar-ring note in the universal har-

But Mr Delors' speech slyly inserted the wedge: complimenting the CBI on its enlightened stance to Europe, and welcoming Mr Davies's remarks of last week. In his original text, Mr Delors also referred to the "dangerous forces" and "unscrupulous individuals" out to block European integration. Shorn of invective, this was a reminder that there are real divisions within both the British industrial community and government. The CBPe leaders cannot hope to represent all the industrial rank and file, and pro-European ministers like Mr Clarke and Mr Heseltine, both speakers at the conference, certainly do not represent the whole cabinet.

But the British camp is probably united in repudiating the imposition of additional social costs on business. As it happens, this formed the most interesting part of Mr Delors' speech, particularly in the light of the Commission's forthcoming white paper on Euro pean competitiveness. The CBI president and the chancellor reserved their greatest contempt yesterday for the notion that in the depths of recession and after a decade of underperformance, European industry should be loaded with shorter working hours, longer paternity leave and so forth - "the economics of the madhouse", as Mr Clarke put it.

But there is one point in Mr Delors' favour. Implicitly, he is saying what many European busi-ness leaders are starting to say for themselves: that if the price of industrial success is the creation of a marginalised class, the fruits of that success will not be either enjoyable or sustainable.

Mr Delors' error, which it must be hoped he will avoid in his forthcoming white paper, has been to place too much emphasis upon chanisms of social protection, high non-wage costs, restrictions on working time and minimum wages, which merely exacerbate the forces of marginalisation.

But he is right that European business will not escape from its current malaise merely by cutting costs. That will take a bettertrained workforce, more productive research and development and a more developed infrastruc-ture. Above all, it will take eco-

nomic recovery.

It is to be hoped that Mr Delors' white paper recognises the blind alleys down which much EU social policy has led. If it does, business in Britain and in the rest of the European Union will

IT IS tempting to interpret the result of this weekend's secret sector run along commercial lines Central Committee meeting as a or the central bank run a marketvictory for reform. The commitment by the Chinese communist party'a senior policy-making body to deepen market-based reforms, and continue to build the "socialist market economy" which Deng Xiaoping began 15 years ago. should guarantee that the 89-yearold elder statesman will leave a lasting legacy. Meanwhile, vicepremier and central bank governor Zhu Rongji appears successmonetary policy for a commitment

to implement his reforms. But eppearances can deceive. Even if a conservative leader were to emerge from the inevitable struggle that will follow Mr Deng's death, there is little prospect of a return to a planned economy. But the outcome of the weekend plenum does not suggest that the next round of reforms is

The communique, which emerged late Sunday night, was disappointingly bland. It promised "a programme of action to restructure the economy in the 1990s". including commercialisation of the state enterprises and rationalisation of the financial system. But the promised 50-article manifesto, detailing these reforms, was conspicuous by its absence.

How will China commercialise a state enterprise sector, at least a third of which is loss-making. without the widespread bankruptcles that officials reject? How,

these enterprises, can the banking based monetary policy? Or will the subsidies be paid through the budget, in which case how does Beljing propose to raise taxes from unwilling provinces? Only if China's communist party can provide detailed answers to these and ment to further reforms be more

than just words. The reality is that woolly commitments from public or party officials to market-based reforms, or economic liberalisation, are two-a-penny in today's China What has been lacking, and remains so if the communique reflects the consensus view, is a willingness by central and regional officials to allow enterprises to go bankrupt, to accept that richer provinces must pay higher taxes, and to obey central hank directives.

Of course, the communique does not reflect a consensus but, instead, e failure to agree. Not only are the next steps difficult but the need to agree to take them comes at a time when state enterprises and local officials are complaining bitterly about the painful consequences of the government's stabilisation measures. It was to soften these blows that Mr Zhu risked easing the credit squeeze too early. But the quid pro quo from provincial leaders must be an agreement now to implement reforms which will prevent another boom-bust cycle. They

### Whitehall farce

THE GOVERNMENT'S drive to shake up the UK civil service appears to be losing momentum, with numbers of civil servants again rising. Productivity increases have allowed similar organisations in the private sector to shed staff despite increasing workloads. Yet the number of white-collar civil servants has not

fallen in 10 years. Market-testing was supposed to expose the civil service to competitive pressure by putting central government work out to tender. The programme has fallen woefully behind schedule, with less than half the target for the first 18 months completed on time. Savings have been much lower than the 25 per cent predicted at the outset. Contractors have com-plained that the tendering process favours in house teams and dis-courages innovative hids which

would bring greater savings.

Measures to open the top ranks
of civil servants to outsiders have also stalled. A Cabinet Office efficiency unit report recommended that all senior jobs should be advertised. This encountered stiff opposition from the permanent secretaries who make the appointments. It has been rewritten to

preserve the present system.

The treatment of Whitehall is in sharp contrast to that meted out to local government and the health service. They are forced to contract out much of their work under rigorous rules designed to tices. Top jobs in both local government and the health aervice for a new approach. discourage anti-competitive prac-

are almost invariably advertised and filled by open competition. Different rules appear to apply to the civil servants who drafted the rules for town halls and health

authorities. Progress on reforms has been obstructed by top civil servants, according to Sir Peter Kemp who managed the reform process until he was sacked last year. He recommends the stimulus of e 25 per cent cut in the staffing of core government departments. This would remove some 30,000 posts in recognition that the bulk of civil service work has shifted to executive agencies. Such staffing tar gets are crude but effective: they enabled Mrs Thatcher to cut more than 100,000 civil service posts between 1979 and 1984. It is hard to avoid the conclusion that the only way of forcing Whitehall to improve its efficiency is to impose

improve its efficiency is to impose new targets in the future.

As for open advertising of top posts, the present secretive system cannot be allowed to survive. All public jobs should be publicly advertised unless there is an arrepublic jobs should be putnery
advertised unless there is an overriding reason for not so doing. As
in husiness, many – perhaps most
– would go to insiders. But new
blood would be brought in and the

divide between public and private sector would be narrowed. Finally, Sir Peter'a anggestion that a high-profile individual reporting direct to the prime min ister be made responsible for civil service reform should be implemented. Reform under the present

### wise men, the govern-ment's council of independent economic edvisers, are not providing much good cheer for the coming Christmas season. Zero growth in west Germany

next year is about the best they can offer, and even then they are not quite convinced that the worst is over. Last year they forecast zero growth for 1993, and the outcome was a sharp decline of minus 2 per cent, so they do not want to make the same mistake again.

They are slightly more hopeful for east Germany, predicting a con-tinued recovery of 7.5 per cent in gross domestic product, compared with 6.5 per cent this year, but even that is from e desperately low eco-nomic base. The downturn in the west has undoubtedly slowed the entire investment drive in the east. An increase in unemployment

from 3.5m today to 4.02m next year is decidedly grim tidings for the German workforce, already seeing their real wages and traditional fringe benefits withering under the

cold blast of recession.
It is not good news for the German government, facing a mammoth re-election year in 1994, with no fewer than 19 national, state, and European polls in the offing. Chancellor Helmut Kohl is in need of a few green shoots of recovery to bolster his re-election chances next

The five wise men are certainly more pessimistic than five of the six leading German economic institutes, which less than a month ago forecast a west German economic recovery next year to the tune of modest 1 per cent growth. They are slightly more optimistic than the Keynesian economists at Berlin'a Deutsches Institut für Wirtschaftsforschung (DIW), who fear e further downturn of 0.5 per cent in 1994. They are also decidedly more pes

simistic than the Frankfurt stock exchange, where the DAX index of 30 leading abares has shot through the 2,000 mark in recent weeks, from 1,545 at the start of the year.

On the other hand, the forecasts of the five wise men are closely in line with those of the business and industrial community itself. The German association of chambers of commerce and industry (DIHT) recently said there was no sign of recovery, even if the downturn had slowed. Mr Franz Schoser, chief executive of the DIHT, backed the DIW in its forecast of minus 0.5 per cent for next year. He said there were simply "signs of stabilisation at a low level".

So who has got it right, and when will the turnround come? Has the sharpest downturn in the German economy since the post-war economic miracle hit bottom, or is there a real danger of a double-dip recession, or at least, a prolonged period of stagnation?
The wise men - five leading econ-

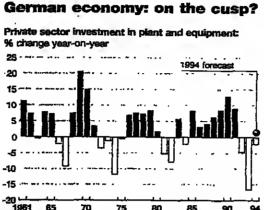
omists from Germany's universities and economic institutes, headed by Professor Herbert Hax, of the Institut für Mittelstandsforschung, the small business research institute in Bonn - are certainly erring on the side of caution. Will there be an economic recovery in 1994? "We cannot answer the question at the present time with adequate assurance, either yes or no," they say.
"We see chances of turning the corner, but whether they will be realised in the near future is highly

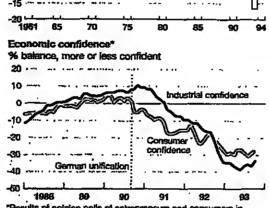
That is scarcely helpful to the government or the other economic analysts. And yet there is perhaps reason in their indecision, and method in their pessimism. For they are clearly convinced that their repeated words of warning in recent years to all levels of government in Germany - the federal government in Bonn, the 16 state governmenta, and ell the local authorities - on the need for drastic control of public spending, continue

to fall on deaf ears. First they set out what went wrong in 1993. A year of stagnation in 1992 was clearly not enough to cool down the overheating in the economy which coincided with German unification: public money was poured into east Germany to revive

# Confidence may do the trick

Has the German economy hit bottom and will the recovery arrive next year? Quentin Peel looks at the uncertainties





Development of the German labour market

gistered unemployed (m) 3.4 Unemployment rate (%) · Full-time training 798 699

Early retirement

the collapsed economy, and wage spending, which particularly undermined the confidence of both indusdeals were pushed up far beyond the rise in productivity, both in the try and consumers. The public sector deficit in the east and the west. current year they estimate at

670

privatisation agency.

"On the one hand, the high level

of public sector deficits will have helped stimulate demand, although

a large part of the DM160bn deficit

The wise men blame

the trade unions, for

excessive wage

demands, and above

all the political

establishment

was merely making up for reces-

sion-related declines in revenues,

Capacity utilisation in west German industry in 1991 was higher than in any year since 1970. When pressure began to ease in 1992, demand fell and spare capacity available, inflation remained stubbornly high. The German Bundesbank was determined to abide by its counter-inflationary duty, and pushed up sbort-term interest rates to almost 10 per cent.

The trouble was that the downturn in the German economy coincided with a continued decline in German exports - partly a reflec-tion of the sluggish world economy (and the sluggish European economy held hostage not least by the high German interest rates), and partly e result of falling German competitiveness Hones for an

export-led revival evaporated. Foreign sales were not helped hy the effective revalnation of the D-Mark, particularly in western Europe. In 1993 there was a 12 per cent drop in exports, with Germany's traditional sales of investment goods particularly hard hit.

blame the Bundesbank for its tight monetary policy. Rather, they pin the blame first on the trade unions for excessive wage demands, and above all, on the political establish ment, for failing to bring spending under control, to cope with the unique challenge of unification. It was the failure of the politi-

cians, they believe, to give clear sig-

nals on controlling government

The wise men are not prepared to

and therefore cannot be seen as an active expansionary measure," they "On the other hand, and it seems far more important, the increasingly swolleo budget deficits contributed to the general insecurity ehout the economic perspectives ... which contributed to the restraint of both investors and con-

the recession." The professors remain profoundly sceptical about the government's much-trumpeted success this year in agreeing first on a "federal consolidation programme", and second

sumers, and therefore aggravated

Real external value of DM: (weighted average against

on a modest savings package

benefits - in bringing public spending under lasting control. Some private sector analysts DM160hn, including central, state believe the wise men have erred on and local governments, and includthe side of pessimism, precisely in ing borrowing for the German unity fund, but excluding the Treuhand order to bammer home their policy prescriptions to the government.

above all focused on cuts in social

"I am surprised to see the council take quite such a cautious view on what will happen next year," says Mr Thomas Mayer, senior econo-mist at Goldman Sachs in Frankfurt. "The latest data actually indicate that the economy is not doing too hadly. So the council must assume that there will be renewed

weakness. "They have a rather pessimistic view on government deficits over and above what the government is prepared to acknowledge. Perhaps they feel that if there are doubts, it is better to err on the side of pessimism to get the message ecross to the policy makers, that adjustment

really has to be made now. Again and egain, the wise men stress the need for e "convincing" course of hudget cuts, and the link hetween a reliable public sector spending programme, and confideoce in the private sector.

They gave the government more support for its efforts to promote greater deregulation, and more pri-vatisation, as part of its campaign to make Germany more competitive. But they still think present proposals do not go far enough.

The debate on shop opening-hours

is a case in point. The restrictive legislation enforcing early evening and weekend closing should be liberalised, the wise men believe, but there are already signs that Chancellor Kohl is going back on the liberalising plans of his government

As for privatisation, the greatest potential is at the level of the states and local government. Yet they have done practically nothing to privatise the properties and services they control. As for the privatisa-tion of Deutsche Telekom, the telecommunications company, the wise men warn that the plan to maintain a state holding company could undermine the whole venture. "In that way Telekom could see itself subordinated to political influences which will collide head on with its private-sector goals," they say.

oreign

nents

Their other main theme is the crisis in the labour market. They edmit that there is a clear increase in the incidence of long-term, struc-tural unemployment within the overall recession-related rise in joblessness. But they are decidedly sceptical about the new trade union penacee of introducing shorter working hours, even a four-day working week, to tackle toblessness Shorter working hours are cer-

tainly not any general recipe to said yesterday. "They will simply lead to further cost increases if there is no compareble cut in

Rather, be said, the present system of industry-wide wage agreements must be opened to "individual enterprise solutions".

Professor Juergen Donges of Cologne University, ooe of the wise men, dismissed the argument that "there is not enough work to go round, and therefore it must be more fairly divided. The truth is work is not short. Work is in short supply at the current wage rates. he said. "We must make sure that we do not price ourselves out of the world markets."

The truth is that the five wise men are again proposing familiar prescriptions to familiar problems. They say in effect that Germany has for too long been living beyond its means.

Cost-cutting and deregulation in the public sector, as in the private, is the main prescription. But there is a clear feeling that the private sector has done far more than government to put its bouse in order.

Il egree that it is crucial to revive private sector investment, which saw a dramatic slump this year - down by no less than 15.5 per cent as far as investment in plant and equipment is concerned. The wise men fear that it will still decline by a further 2 per cent in the coming year, and gov-ernment policy must focus on turning it round. One proposal they make is for a

clear programme of corporate tax reform to be put in hand immediately, even if real tax cuts are only realistic once the economy has recovered - possibly not before 1997. Mr Theo Waigel, the finance minister, seized upon the idea yesterday and promised proposals before next year's elections.

Yet it is uncertainty about what will revive the confidence of the private sector which is at the heart of the differences between the forecasters over the speed and timing of the German economic recovery.

The pessimists at the DIW, and in the opposition Social Democratic Party (SPD) are convinced that an upswing must be primed by a public spending programme, even if that means a short-term increase in the deficit. Mr Rudolf Scharping, the SPD leader, has called for e revival of "concerted ection" between industry, lehour, government and opposition, to draw up a common approach.

The trouble is, it is almost cer-

tainly politically too late for such co-operation. For the elections are almost here - the first local poll is in Brandenhurg next month, followed by Lower Saxony next March and economic consensus looks likely to be the first casualty.

That means the private sector will have to rediscover its confideoce on its own, and even the wise men do not know when that will be.

### OBSERVER

### Softly, softly

■ Jacques Delors' failure to turn up at the CBI conference in Harrogate inevitably led to e suspicion that be had been struck down by a diplomatic illness. Better to make himself scarce than risk further jeopardising an already shaky reputation in Britain by being drawn into a row between the CBI and the government over

Europe.
But such speculation was wide of the mark. The European Commission president really did have the flu and it was up to his secretary-general David Williamson, once a polished British civil servant, now an equally polished Eurocrat, to deliver Delors'

The script was strictly followed until Williamson reached the hit where Delors sounded his version bed scare - the accusation that there were political scavengers eating away at the distressed heart

individuals and groups" of Delors became the "some less than scrupulous" individuals of Williamson. And the "dangerous forces" which Delors had at work became less menacing with the thought that "some forces may

Who these forces are is less than

e in the second of the contract of the contrac

be at work".

clear beyond the fact that they must disagree with Delors. Williamson certainly would not elaborate on the plot, but then be is an Englishman and has e different notion of the sinister from Delors. Certainly he was careful to tell the CBI that he is not e Frenchman, not a French intellectual and not e Catholic.

Man of destiny ■ Given that the cost of the Channel Tunnel. Britain's has overrun by more than 60 per cent and the opening date has already been put back twice, Sir Alastair Morton, chairman of Eurotunnel, may seem an odd choice to head up the new government working committee

on privete finance. Sir Alastair freely admits that if Eurotunnel were to start again in building the Channel Tunnel it would do so from a different premise. Indeed, be says it is precisely because he has learnt a lot of lessons of what not to do that he argues he is so well suited to take on his latest job promoting private finance in public sector projects. Full marks for honesty.

What a Payne ■ Isn't Sedgwick sounding a mite defensive about the composition



'Our sponsorship fell through' Fund? "This is without any reservatioo the best board of any of the [19]" corporate capital insurance broking group boasted

when Observer rang up.
To be sure, Jce Palmer, the new
PIA chairman, Cadbury committee member Jonathan Charkham, Lord Rees, chairman of Lasmo et al are all fine fellows. The only trouble with also adding Sedgwick vice chairman Jim Payne to the list is that these days is that his presence necessitates a 200-word foot note to the CLM prospectus explaining that Payne, who had been deputy chairman of reinsurance brokers Bland Payne,

into the affairs of the collapsed

### Off-balance

■ Hilmar Kopper, boss of Deutsche any other sensible banker, he is mindful of the topsy-like growth such as yield curve swaps, look-back options and forward rate catch-all name of derivatives. Hence, quizzed receotly as to whether he had yet thought of a nickname for the Trianon tower. the bank's third skyscraper in Frankfurt opened earlier this month, Kopper hesitated not e moment. Given that the new-come is taller than the existing pair, duhbed "Soll und Haben" (assets and liabilities), why not call it "derivatives"?

### Scottish peeper

■ Scottish secretary Ian Lang, who launched his department's first annual report yesterday, must try harder. The volume on the Scottish Office is intended to remind the Scots how much administration is devolved to Scotland. But the numbers are disappointing, consisting only of expenditure figures. Since governments, unlike companies make great public play of their hudgets it would have been nice

to know what St Andrew's House had intended to spend. All Lang would say about thet is that "We wanted to compare like with like".

### Family business

■ It's not often that a City gent gets to be in a world première as opposed to at one. However, tonight sees the debut of Chris Chapman, managing director of discount house Seccombe, Marshall & Campion, in a new musical about Jane Eyre which is being presented at The Royal Naval School, Haslemere. Chapman plays the wicked parson. Mr Brocklehurst, in a cast which includes his wife and two daughters. Kitting him out has not been a problem. Not only is Chapman's father a Suffolk clergyman but Chapman also gets a chance to wear his City top hat, the hallmark of a hillbroker, for a change, without feeling silly.

Anybody there? ■ A call to GCHQ, the British government's multi-million pound nerve-centre equipped with every state of the art gizmo for listening into the mass of telephone traffic buzzing in and out of the UK. elicited an apologetic response from the duty officer. "I'm sorry," he said, explaining why an earlier call had not been answered. "Our man was trying to get back to you but his phone wouldn't work.

# FINANCIAL TIMES

Tuesday November 16 1993



Federal Reserve reports sharp rise in factory output led by vehicle production

# US economic growth gains pace

US factory output rose a sharp 0.8 per cent in October, providing further evidence of the accelerating pace of US economic growth. In its most huovant assessment of industrial trends since late last year, the Federal Reserve yesterday also said output rose 4.4 per cent in the year to October, and revised figures for September to

sbow a gain of 0.4 per cent rather

than 0.2 per cent as initially

Output was boosted by a vigorous rebound in production of motor vehicles and parts, which ation is now 0.5 percentage rose 3.9 per cent in September and 7.3 per cent in October after four months of stagnation.

The rise in overall production - the largest since November last year - exceeded Wall Street forecasts but prompted little movement in share prices as investors awaited tomorrow's congressional vote on the North American Free Trade Agreement.

The Fed also reported a sharp rise in the rate of Industrial capacity utilisation to 82.4 per cent, the highest rate since the peak of the previous husiness cycle in mid-1990. Capacity utilis-

points higher than its long-run average, which is one reason why some investors fear upward pres sure on inflation.

The figures are consistent with economic growth at an annual rate of 4 per cent in the current quarter," said Mr Richard Berner, chief economist at Mellon Bank in Pittshurgh.

However, growth was likely to decelerate early next year because "job growth was not sufficient to support the current very strong growth of consumer spending". The sustainable annual pace of growth was

The surge in vehicle production also partly reflects a rebound at General Motors, the largest US car company, after production was depressed by disputes with parts suppliers.

Excluding vehicles industrial production rose 0.4 per ceot last month and 0.3 per cent in September. Production of durable goods generally was strong, reflecting falls in long-term interest rates. Production of consumer per cent last mooth; production of information durables other than cars rose 1.3 information-processing equipment was up 0.9 per cent.

# Clarke and Heseltine

industry. Mr Michael Heseltine, trade

he said "the next thing we should pursue is economic convergence. That will in itself produce greater exchange rate stability." The remarks by the two minis-

ters were seen as an attempt by the left of the Conservative party to regain ground lost at the party conference. Speeches hy minissocial security secretary, and other right wing ministers had drawn applause for their attacks oo the European Commission.

Editorial comment, Page 17

# Major offers talks with Sinn Féin if IRA lays down arms

By Kevin Brown, Political Correspondent, in London

MR JOHN MAJOR, the UK prime minister, acted to break the Northern freland deadlock yesterday hy issuing the first explicit offer to negotiate with Sinn Fein if the IRA lays down its arms. Mr Major told the Lord Mayor's

banquet in the City of London that "there may now he a better opportunity for peace in Northern Ireland than for many years". He ruled out secret deals with terrorists, and insisted that the government would "never" talk

to organisations which declined to renounce violence. "But if the IRA ends violence for good then, after a sufficient interval to ensure the permanence of their intent - Sinn Fein can enter the political arena as a democratic party and join the dialogue on the way ahead,"

In his most optimistic appraisal

yet of the prospects for Northern Ireland, Mr Major said there was a "hurning desire on each side of the community for peace".

He said the Irish government had shown "a new understanding of the rights and concerns of unionists," and most of the constitutional parties in Northern Ireland were "purposefully" engaged in talks about a settle-

All the parties accepted that flexibility was needed, and that "cherished positions" would have to be modified. "These elements present the opportunity we are determined to pursue," he said. Downing Street said the prime

minister's words were intended as an "explicit" demonstratioo that the government was "very serious" about the peace process. "Northern Ireland is something which the prime minister intends to keep on the front burner," a

The speech also confirms that the UK government is prepared to press ahead without the participation of the hardline Democratic Unionist party, led by the Rev lan Paisley, which has said it will "never" talk to Sinn Fein. even after a cessation of IRA vio-

The possibility that the British and Irish governments might be willing to talk to Sinn Féin was first raised in a joint declaration in Brussels last month by Mr Major and Mr Albert Reynolds, the Irish prime minister.

However, Downing Street said Mr Major's declaration last night clarified the government's position. "It has never been explicit, as it is here," said a senior offi-

government dismissed reports in Northern Ireland newspapers that the government had beld recent talks on a ceasefire with Sinn Pein or IRA leaders

### Frozen silence of a nuclear wasteland

Continued from Page 1

Ukrainlan government bas allowed a handful of people to return to their bomes, but only because they are too old for radiation-induced cancer - which takes years to develop - to

shorten their lives. It is from the air that the true extent of the desolation becomes clear. The fairground wheel in Pripyat, the model town built to lashed down and the seats cov-

had been disbursed on election

day in what is known as "street

money" to poll watchers and oth-

ers working to get out the vote.

Mrs Whitman herself spent

part of Snnday visiting black

churches. Although she spoke at none of them, her attendance

was ohviously designed to make

She beat Mr Florio by about

rows in the abandoned corn fields are blurring as the scrub takes over. Then there is the debris, con-

taminated beyond recovery. More than 100 ships of all sizes lle anchored and ahandoned along the banks of the Pripyat river. One large field looks like a drawer of children's toys tipped over: a heap of hrightly coloured tractors, police cars, buses, fire engines and cranes with rust the next field, the buge grey hell-

30,000 votes in a total turnout of around 2.5m, the second-closest

governor's race in New Jersey

history. The black component

amounted to about 8 per cent of

the vote, down from the 12 per

cent at the 1989 election - a

decline in numerical terms far

greater than her margin of vic-

tory, given the usually over-

whelming black preference for

Mr Rollins, meanwhile, is in

Democratic candidates.

parked forever, blades drooping oearly to the ground. The most contaminated waste is buried in more than 600 dump

the reactor's blazing core are

sites dug burriedly after the disaster. The 10-foot high mounds over the waste look from the air like the hurlal places of ao ancient civilisation. Meanwhlle, facing acnte power sbortages, the casbstrapped Ukrainian government decision to close Chernobyl's

Probe ordered into New Jersey election seclusion, with several lucrative TV contracts summarily withdrawn. Inst 10 days ago this veteran Republican political consultant, who hriefly defected to Mr Ross Perot's independent presidential candidacy last year, appeared thoroughly rebahili-

> In directing Mrs Whitman's victory he had beaten Mr James Carville, the respected Democrat

# warn critics of Europe

By Tony Jackson, Roland Rudd and Paul Cheeseright in London

BRITISH government ministers fought vesterday to preserve the ruling Conservative party's pro-European credentials in the face of recent strong criticism from

and industry secretary, warned anti-European elements in the party against alienating Britain's main business allies with insults.

"We will serve ourselves not at all if the language with which we describe our continental part-ners, the imagery in which we paint them and the insularity with which we attempt to rewrite the history of the past 40 years has the effect of alienating ourselves and our self-interest from the very people upon whom we are most dependent," he told the Confederation of British Industry's annual conference.

Mr Kenneth Clarke, chancellor of the exchequer, said he continued to support economic and monetary union, though without adhering to artificial timetables.

Before his speech to the CBI.

Mr Heseltine said the Issue of a single European currency was one of timing. "The British government has negotiated a posi-tion in which it can make up its mind. What will happen is that either the economies of Europe will converge, or they won't. If they do, they will either converge on the D-blark as the dominant currency or there will be an institutionalised currency which the Europeans will decide to put in place of the D-Mark."

### Europe today

Continued from Page 1

High pressure over Denmark will merge with a high over Russia. As a result, an easterly flow will begin to bring cold air into areas. The Balkans and eastern Alps will have snow which will accumulate Temperatures will fall below freezing. Most of western Europe will be rather sunny. Only Ireland and Scotland will have cloud with rain in north-western regions Temperatures will range from 7C-11C. In Greece and Turkey, a depression will bring unsettled conditions with rain and, in northern areas, snow. Portugal, Spain and

Italy will have plenty of sun with near

### asonable temperetures. Five-day forecast

51

Va

(60

Eur

(32

Wintry conditions over northern and eastern Europe will spread towards western Europe. Most areas will stey sunny and dr but there may also be some cloud. That British Isles will be mild and cloudy with rain in Ireland and Scotland. Greece and Turkey will continue unsettled with wintry conditions in northern areas. South-west Europe will stay dry with plenty of sunshine

### TODAY'S TEMPERATURES



lair
lair
dirzzi
iair
doudy
lair
rain
lair
cloudy
fair
rain
fair
cloudy
fair
lair Ryodh Rome S. Frsco Seoul Singapore Stockholm Strasbourg Sydney Langer Fel Aviv Tokyo Foranio Funs Vancouver Venice Washingter Weshington Winnipeg 24 20 20 21

### THE LEX COLUMN

# BA above the clouds

The clouds are beginning to part for British Airways, which is just as well, coosldering the recent surge in its share price. The carrier's half-year figures confirmed several encouraging trends, wilh a 2 per cent rise in pre-mium traffic being the most comfort-ing. The global balance of supply and demand appears to be returning to some semblance of sanity. BA, too, is moving back towards equilibrium. After increasing capacity by 13 per ceot this year, BA will add just 4 per cent next, making it easier to fill seats and raise prices as traffic recovers.

Some dark clouds remain on BA's horizon, however, notably surrounding its stakes in associated airlines. BA's investment in TAT is currently looking none too clever. Between them TAT and Deutsche BA lost some £32m in the first half. Remedial action is promised. But any aggressive cost-cutting at TAT may prove politically diffi-cult after the Air France fiasco. Meanwhile, Lufthansa can only emerge as a more formidable competitor as it trundles towards privatisation. With its investments in USAir and Qantas yet to prove their worth, BA's globalisa-tion thrust remains a high-risk strategy with no guarantee of financial

investors lacking the head for such dizzy heights may prefer BAA, which reports today. BAA's operational gearing may not be as high as BA's and its shares are relatively dearer. But comfort can be drawn from an airport operator which keeps its feet firmly on the ground and has a quasi-monopoly.

### British Steel

British Steel has reached the limits of what can be achieved by self-help alone. A return to profit in the first half shows the benefit of rationalisation, but was achieved with a fair wind nonetheless. Sterling's devaluation was worth around £20m at the level of operating profit. Demand for steel at home was supported by a mini-cycle of stock huilding which has petered out since the summer. The joint venture with Avesta Sheffield in stainless steel flatters the improvement in trading performance by shifting losses into an associate company.

The future now turns on the thorny questions of state subsidies to lossmaking European producers and clo-sures of uneconomic plant. Without capacity reduction meaningful price increases are unlikely. Rises introduced this year are sticking, but average UK steel prices are only now back

### FT-SE Index: 3093.3 (-5.8)

**British Steel** Share price relative to the

1988 89 90 to the levels of 1986. The outperformance of British Steel's shares this year demands something more than a con-solidation of these gains.

91

As a low-cost producer British Steel certainly stands to gain from higher prices. Restructuring elsewhere might also hring opportunities to put its hal-ance sheet strength to work. With the share now on a dizzy rating, though, the downside risks cannot be ignored. Delay in reaching agreement among governments on subsidies could carry more than an opportunity cost. Big producers have shown uncommon discipline on pricing, but that common front must be vulnerable to cracks if demand in continental Europe contin-

### Credito Italiano

After Spain's success with Argentaria and that of France with BNP, Italy needs a good banking story to tell in its first privatisation. There must be some doubt whether it has found one in Credito Italiano, which is saddled with a low return on capital of only 4.5 per cent and an exposure to the Ferruzzi group equal to nearly a quarter of its net equity.

Arguably Istituto Mobiliare Italiano would have been a better choice to launch Italy's privatisation programme. Though smaller, its return on capital is about twice as high as that of Credito. An IMI sale might have been used to what appetites for less attractive offerings which also include Banca Commerciale, But Credito better fulfils the political requirement for a large deal which spreads share ownership broadly among the Italian public, without leaving large blocs in the hands of particular interest groups.

Some hefty promotional discounts may thus be in order for Credity's employees and depositors. These might then be able to convince them. selves they are buying a recover stock, on the same principle whereby Barclays has outperformed Lloyds by over 40 per cent since its dividend cut in March. But by then Barclays had

confronted the worst. Credito cannot yet discern the full dimensions of its Ferruzzl problem: nor will it easily repeat this year's bond market gains. Besides, selling the stock cheap to retail investors could backfire without a strong after market. That will not come naturally to a share which has lost a third of its

### Eurotunnel

Sir Alastair Morton has not strug gled to hide his frustration at Britain's failure to build a high-speed rail link to the Channel tunnel. So he will doubtless have a few choice words to say on the subject when his new committee on private finance for public projects starts to meet. in his other guise as Eurotunnel's chief executive however, the repeated delays in the fast link are by now simply a fact of

The gentle amble through Kent will reduce Eurotunnel's attractions to short haul air travellers, but the ferry services are Eurotunnel's initial target. Yesterday's announcement that Stena Sealink is putting an extra terry on the Dover-Calais route coincides with Eurotunnel's proposal to charge by the car rather than the passenger. Both groups are manoeuvring for position rather than signalling a price war. Once the tunnel is open, co-opera tion between the ferry companies seems likely, and Stena may only be ensuring its equality with P&O. If the government allows some kind

of ferry merger, costs of the competing Channel operators will be substantially reduced. Even then, the economics of the Channel links - which have seen a huge increase in fixed capacity and capital employed - are finely bal anced on the prospects for traffic

That is hardly a comfortable posi-tion for those Eurotunnel investors who subscribed project finance equity capital on different assumptions in 1987. The point should not be lost on anyone considering giving govern ment schemes another whirl.

# US\$100,000,000 One Year Oil Financing Facility

Provided and structured by

Al Rajhi Banking and Investment Corporation

Arranged by

ANZ Grindlays Bank plc, London International Merchant Banking

Pakistan State Oil

Local Syndicate Members

ABN Amro Bank N.V., Karachi

Citibank N.A., Karachi



INSIDE

### Nissan Iberica deepens deficit

Nissan Motor Iberica, the Spanish arm of the Japanese carmaker, deepened its nine-month pre-tax loss to Pta28.01bm (\$205m) from Pta5.44bn last year. Page 20

KLM reviews partnership KLM Royal Dutch Airlines said recent successes in cutting costs and bolstering its position in the aviation market have reduced its dependence on a partnership being negotiated with three other European airlines. Page 20

Saab cuts losses

Saab Automobile cut its losses in the third quarter to SKr285m (\$191m) from SKr541m, reflecting the benefits of its cost-cutting. Page 22

Hyundai to double production Hyundai Motor, the South Korean carmaker, plans to double its production capacity to 2m cars and trucks by the year 2000. Page 23

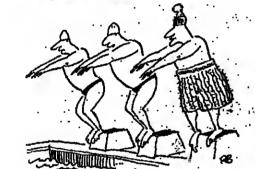
Too late down Mexico way The Reichmann brothers, the Canadian property developers, are convinced that Mexico is heading for an Asian-style economic boom. But some rival developers say they have arrived too late.

Sour note for Sony Music Sony Music Entertainment, the entertainment arm of Sony, said earnings and sales fell for the first six months to September because of the lack of Japanese hit records. Page 24

VW taps US bond market Volkswagen, Europe's largest carmaker, has become the first German company to access the US corporate bond market, Page 25

Plans to introduce corporate capital to Lloyd's Japanese insurer to invest in Lloyd's of London were boosted yesterday when Yasuda Fire and Marine Insurance, Japan's second largest insurance group, said it was intending to invest money in the insurance market. Page 26

GHE buys Chleago company Guardian Royal Exchange, the insurer, is paying \$100m to acquire American Ambassador Casualty, a Chicago-based motor insurer. Page 28. Ficetfooted in fleece



No sooner had Sydney corralled the Olympic Games for the year 2000, than the cry went up: uniforms for Australian athletes and officials should be made from wool. Page 30

Market Statistics

FT-A Indicas FT-A indices
FT-A world indices Back Page
FT-A world indices Back Page
25

London share service Liffe equity options: London tradit, potions Managed fund service World commodity prices World stock mid indices UK dividends announce

Alusuisse Logza BAA CLM traurance Fund Colorgen Crest Nicholson

Custen's

EVN

19 New London Capita 20 Nissan Iberica North West Water 24 Pentheon Intl Power Corp 20 Renold 29 Rhône-Poulen Saab Auto 29 Sidlaw 19 Sony Music Sumitomo Realty 29 Swithland 29 Tabacalera Tadpole Technology 24 Telegraph Trohook 28 Toys Ar Us 19 Ucom Usinor

26 Lawson Mardon

Morgan Stanley

Chief price changes yesterday 1%

THE FINANCIAL TIMES LIMITED 1993

# Rhône-Poulenc price is FFr135

By John Ridding in Paris

THE French govarnment yesterday set a price of FFr135 per share for individual investors in Rhone-Poulenc, the chemicals and pharmaceuticals group. The price is lower than expec-ted by most market analysts and

compares with the FFr153.6 closing price yesterday.
It reflects the govarnment's desire to attract the French public and maintain momentum in its plans to sell 21 public sector

Individual investors will now have six days to buy shares.

By Heig Simonian in Milan

ITALY'S first attempt at a hig

privatisation aimed at retail

investors will start on December

s with the sale of the IRI state

holding company's 67 per cent stake in Credito Italiano, tha

The deal, forecast to raise

about L2,000bn (\$1.2bn), marks

the beginning of an ambitions and much-delayed privatisation drive which should see the dis-

posal of two further state-con-trolled banks by next March.

The forthcoming privatisations

include Istituto Mobiliare Italiano, the Rome-based financial

services group, due for sale in Fobruary, and Banca Commer-ciale Italiana, one of Italy's most

best-known fluancial institu-

The sales will loosen the

state's stranglehold on the finan-cial services sector. They could

failed to match the pace of

change in other big European

countries because of geographi-cal limits on growth and politi-

cal barriers to bank mergers.

The terms of the Credito Itali-

ano flotation, being co-ordinated by the bank and Goldman Sachs,

will be revealed on December 4.

ordinary shares, representing

25.6 per cent of the total, and

840m. It will dispose of its

remaining 17.4 per cent of the

bank's non-voting preforence

Credito Italiano's reputation is

founded on corporate lending, notably to northern Italy's lead-

his industrial groups, and secu-

rities trading. Since the liberalis-

ation of branch expansion rules

in 1990, it has sought to develop its retail banking coverage by opening new branches.

Not profits amounted to L183bn in the first half of this

year.
The bank has tended to be in

the shadow of BCI, its slightly

higger neighbour. That image

was partly confirmed yesterday by Mr Romano Prodi, IRI's chair-

man, who said BCI would have

been privatised first had it not been for the fact that the Credito

Italiano deal had been

Credito Italiano and its advis-

ers have embarked on an unprec-

edented press and publicity cam-paign to facilitate the sale. The bank's two managing directors appeared on Italian breakfast

telovision yesterday and branches opened early to allow

staff members to watch tho

broadcast.

A roadshow will kick off in

Milan on Friday, when further details of the sale plans and trad-

ing prospects are likely to be

IRI will sell between 336m

Both have now been removed.

tions, scheduled for March.

country's sixth largest bank.

The price for institutional investors will be set by a book-building process and will he announced next week.

There may also be a clawback of shares for individuals if, as expected, the issue is oversub-Mr Edmond Alphandery, the economy minister, estimated, however, that the sale of the gov-

ernment's 43 per cent stake in Rhône-Poulenc was likely to raise about FFr13bn (\$2.2bn) compared with the FFr28bn received from last month's privatisation of

privatisation of the first industrial group on its sell-off list as an important step in the government's programme and said he was confident of a successful

Under the terms of the issue, the government will sell 47.6m shares through a public offering. A further 31.7m shares will be sold to institutional investors in France and abroad. Current and former employees will be able to buy up to 8.8m shares.

Banque Nationale de Paris. per cent of the company's shares have a seat on the Mr Alphandery described the are being reserved for a core of administrative board.

These will comprise several and Axa, the French insurance

Both companies will join existing shareholders, such as Crédit Lyonnais and Assurances Générales de France, with the combined core of stable investors accounting for about 24 per cent of Rhone-Poulenc's capital after privatisation.

alliance with Rhone-Poulenc in the fibres market, is expected to have a seat on the company's Poulenc will enter the group's capital at a time when it is faced with difficult markets and declin ing profits.

Yesterday the group confirmed earlier forecasts by announcing net profits of FF776m for the first nine months of the year, a fall of 30 per cent over the same period last year.

The company said that a simi-lar decline was expected for the full year as a result of continued weakness in the chemicals, fibres and agrochemicals markets and a slowdown of growth in pharma-

### **Astra** heats up rivalry with Glaxo

ASTRA, the fast-growing Swedish pharmaceuticals group, yesterday announced it was in final stages of developing treatments to compete with two of Glaxo's top-selling drugs.

The company planned to sub-mit its first application for a licence for its Turbuhaler containing a generic version of Glazo's Ventolin, the world's best-selling asthma treatment, by the end of the year. Astra could oventually win significant market sbare from Ventolin. whose generic name is salbutamoi. The drug generated sales for Glaxo of £484m (\$731m) last financial year.

Astra claimed the Turbuhaler

was more effective at delivering the drug into the lungs than traditional inhalers. Glaxo said the Turbuhaler's

ability to deliver more active ingredients into the lungs was immaterial because the drug's concentration conid be

The Swedish group also said that in 1995 it would submit the first dossier for the eradication of helicobacter pylori, a bacterium that causes peptic ulcers, using its anti-ulcer drug Losec and an antibiotic, amoxycillin. The company is launching a large trial involving 4,000

A large proportion of Glaxo's sales of Zantar, the world's bestselling drug, are to prevent the recurrence of ulcers. If Astra's combination is effective and adopted by doctors it could have an adverse impact on Zantac sales, which last financial year were £2.17bn, or 44 per cent of group turnover.

"This news is bad for Glaxo, but predictable," said Ms Jo Walton, pharmaceuticals analyst at Lehman Brothors. "We were expecting the salbutamoi Turbobaler, though not as quickly as this. On the other band, the oradication therapy seems behind schedule."

Astra also revealed it bad acquired a further 39 per cent of its 51 per cent owned Japanese subsidiary Fujisawa-Astra. Osaka-based Fujisawa will contique to own 10 per cent of the joint-venture and will support the husiness for certain manufac turing, distribution and other services. Separately, Astra announced it

had signed a co-marketing agreement with Sandoz, regarding the Swiss group's cholesterol-lowering drug Lescol.

### Fiat, which has an industrial Of the government's 43 per cent holding in Rhone-Poulenc, 6

Italy starts Andrew Jack explains why a UK accounting practice is under threat state sales goodwill is likely to be rapidly transformed into with bank one of illwill for finance directors as the UK Accounting Standards Board tackles one of the most group controversial topics in financial

reporting.
At issue is goodwill: the difference between the purchase price of a company and the net assets on its balance sheet. "We've got to lance this boil once and for all," says Mr David Tweedie, chairman of the board.

Reforms could cut British companies' profits, and reduce the advantages they have traditionally held. The UK'a anomalous treatment of goodwill has given them an edge in acquisitions over their foreign competitors.

In a discussion document scheduled for release on December 18, the board is proposing to take a measured line, weighing three options. They are: Write-off goodwill immediately on acquisition to reserves in the balance sheet.

• Capitalise goodwill on the bal-ance sheet and amortise it through the profit and loss account over a fixed period probably 20 years.

• Maintain goodwill as an intan-

horald a reorganisation of gible asset in the balance sheet domestic banking, which has and depreciate if regular reevaluations show it has dimin-

At present, the first two approaches are permitted under SSAP 22, the existing statement of standard accounting practice Iliwboog no

Immediate write-off is by far the most popular in the UK. According to a sample of 500 most recent accounts by Com-pany Reporting, the Edinburghbased monthly monitoring service, just 4 per cent of companies with goodwill capitalised and amortised it. Mr Paul Rutteman. technical partner with accountants Ernst & Young, says companies dislika the approach because it reduces earnings and introduces an arbitrary period for writing off goodwill.

But amortisation is the favoured approach elsewhere in the world, with the period vary-ing between five years in Germany (where there are tax incentives to go for the short period) to

40 years in the US.

The International Accounting Standards Committae will endorse the capitalisation and amortisation approach over 20 years in IAS 22, its own version. to be issued in January. Mr David Cairns, the committee'a secretary-general, says: "No one olse does it the British way. There is a feeling that if companies have paid for something worthwhile, it is misleading to write it off. It should be in the balance sheet."

The third approach to goodwill requires companies to develop a "ceiling test" based on projected cash flows to examine whether the value of the goodwill has fallen. The problem is whether these measures will be sufficiently robust. It will also raise the spectre of whether, for tha sake of consistency, companies should include internally generated goodwill, such as home-

Open season on the fate of goodwill



grown brands, on their balance

There is also a legal difficulty: the seventh EC directive on company law seems to permit only the first two approaches. It does not allow intangible assets to be held at market value without amortisation. The ASB's lawyers are struggling with a way to per-

mit the third approach.

The board is split internally about which approach it favours. An illustration of this tension is that it has still not approved a final version of the text of the discussion document. This will only take place in two weeks time, at its next full meeting. It has yet to decide whether to favour one of the three options over the others.

At the earliest, a proposed exposure draft of a standard on goodwill could ha issued hy autumn next year. Bot that assumes there is a clear consensus on which of the thrae approaches to adopt.

More likely, it will take many

months, during which the ASB will be faced with one of the toughest tests of its legitimacy and democracy. Mr Tweedio says if there is strong disagreement, there may well be open hearings at which interested parties will be forced to debate in public.

The current policy of discussing accounting issues hehind closed doors could damage the board's credibility if followed on an issue as contentious as good-

Judging by previous account on the topic, disagreement will be rife and reforms strongly contested. In 1989, ED 47, an exposure draft of a proposed standard hy the Accounting Standards

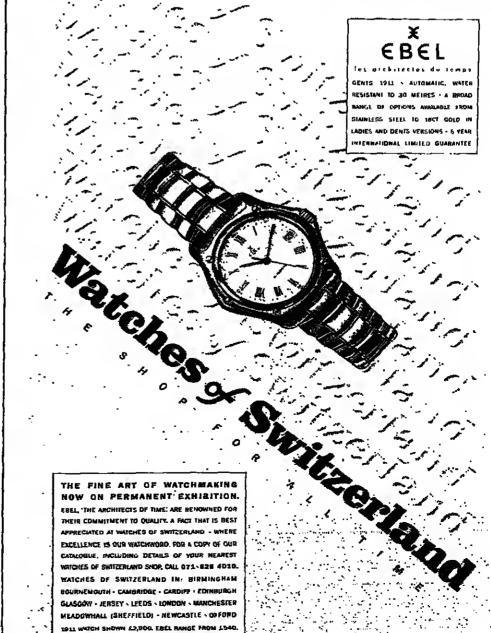
Committee, the board's predecessor, which would have made amortisation compulsory, was widely criticised by industry.

More recently, the board's urgent issues task force - which tackles loopholes in existing standards - introduced UITF 3 in late 1991 to great consternation. This requires companies to write off goodwill through the profit and loss account when they subsequently sell an acquired busi-

Companies have been forced to comply, but many did so only with denched teeth. The ructions

have forced the board to consult on its proposals far more widely since then. A number of companies have also bent the rules to obey the letter rather than the

That said, if the ASB is to tackle the issue the timing is probably right. Companies might do well to prepare themselves now for any change of account-ing policies, while acquisition activity is subdued compared on profits could be far more damaging if they wait for the next wave of purchases.



# BAA may run Rome airport

By Paul Betts in London and Robert Graham in Rome

BAA, the privatised British Airports Authority, is in talks with IRI, the Italian state holding company, over acquiring a stake in Rome's Fumicino airport and a

management contract.

BAA has been seeking to market its expertise in airport management as part of its efforts to expand internationally. It is today expected to reveal

interim pre-tax profits up 8-10 per cent, at about £235m (\$355m). The negotiations over Rome airport follow BAA's management contract to develop retailing at Pittsburg airport in the US and recent talks in China to help modernise and develop Chinese airports through joint ventures.

Although the eventual privati-

sation of Rome's Fumicino air-

port remains a highly complex issue, BAA is understood to consider an equity investment and management of the airport as an attractive long-term opportunity. Rome airport handles about 19m passengers a year of which 60 per cent involve international flights. BAA sees considerable potential at Rome for retailing, which has become a main source of income at its UK airports.

IRI, which controls the Rome airports authority, insisted yes-terday that any deal would depend on the passing of new leg-islation, since existing law stipulates ownership must be held by a public body. With early elections likely in Italy, it is thought such legislation would have to await a new parliament.

national carrier, and a further 43 per cent held by Iritecna, the state holding's construction arm.
The pressure for the airport sell-off comes from the financial plight of Alitalia and Iritecna, which are both losing money. The airports authority is also the type of activity that Professor

Romano Prodi, the head of IRI, is anxious to privatise. Rome air-port is undergoing costly redevelopment and the authority needs financial assistance.
The Rome airports anthority already under fire from Italy's anti-trust monitors, has tradition-

ally been regarded as an important source of political patronage. One problem in any privatisation will be the fate of the 6,683 staff. BAA employs directly only 4,000 IRI controls the Rome airports at London Heathrow airport. authority through a 56 per cent stake held by Alitalia, the Italian which handles twice as many

### INTERNATIONAL COMPANIES AND FINANCE

# KLM reviews Alcazar role after profits improvement

By Ronald van de Krol in The Hagua

KLM Royal Dutch Airlines said cutting costs and bolstering its position in the aviation market had reduced its dependence on a partnership being negotiated with three other European air-

Mr Pieter Bouw, chairman, stressed that KLM stood wholeheartedly hehind efforts to arrive at a partnership with Swissair, Scandinavian Airlines System (SAS) and Austrian Airlines under the code name Alcazar. However. Mr Bouw added

that KLM's programme of lowering costs and improving service to passengers meant that KLM was less dependent on the alliance than it had been. Internal cost-cutting had allowed KLM to take part in the talks without its "back to the wall", he said.

"What we want to avoid, and what we have avoided, is that partnership is KLM's only strategy for survival," he said. He was speaking less than two weeks after KLM unveiled a hetter-than-expected 20 per cent increase in net profit for the 1993-94 second quarter. Mr Bouw said this did not mean that KLM had changed heart about the alliance but said his comments tried to explain wby the carrier had

the past few years. The four-way merger talks have become bogged down hy difficulties in choosing a US partner airline. Each airline, with the exception of Austrian Airlines, bas a partner in

sought to lift productivity over

### Tiphook increases financing

By Andrew Bolger

TIPHOOK, the deht-laden UK container and transport leasing group, bas obtained further facilities from its bankers and is in talks with an unidentified third party about the possible sale of its container division.

The group, which has been struggling to refinance its overstretched halance sheet, also warned that the costs of refinancing meant it was likely to make a loss in the second half of this financial year and confirmed it did not expect to pay a dividend.

Tiphook has an estimated 17 per cent of the world's container rental fleet, making it the second largest rental company in the world after Genstar, a division of the US's Gen-Electric Capital

Corporation. The container division. which accounted for more than

year, could fetch a substantial sum, although trading activity is at a low point

Tipbook said it was at a preliminary stage of discussions of various alternatives with other

This, combined with the container division talks, suggests the group's bankers might be considering an orderly disposal of all the group's assets. Tiphook recently obtained shareholder approval to allow debts to increase to £1.3bn (\$1.9bn), giving gearing of 600 per cent.

An obstacle to speedy disposals could come from disgruntled US bondholders, who have lent Tiphook \$700m in the last

Tiphook said the group and some of its directors were the subject of four shareholder class actions in the US, which they intended to defend, hut declined to give any further

stage of these proceedings, the company said it was unable to determine the impact, if any which these actions might bave on its financial position.

Tiphook said it had obtained bank facilities of £32.3m from its principal banks. It had obtained a further amount to enable it to meet immediate working capital requirements, including

finance payments. However, the group was in breach of certain of its banking covenants and required the further support of these banks to enable it to meet its commitments through to April 30, and discussions were continuing,

Tiphook said. Tiphook's announcement came as the London market closed, but in New York where the majority of the company's stock is held - Tiphook ADRs fell \$% to \$3%.

markets."

period end was 41,400, compared with 46,500 last time. Lex, Page 18;

London SE, Page 31

# British Steel BA turns in sharp gain in earnings

Aerospace Correspondent

BRITISH Airways yesterday reported a sharp rise in second quarter pre-tax profits trom £136m to £172m (\$259.7m), helped by cost-cutting and some recovery in traffic. Sir Colin Marshall, BA's

chairman, said there were "signs of recovery in our two major markets, the UK and the US". But he warned: "Trading conditions overall this winter will remain difficult as a result of over-capacity in the indus-

The company, which was privatised in 1988, made pre-For the six months to September 30, pre-tax profits rose 3.5 per cent to £235m. Operattax profits of £27m (\$40.2m) in the six months to October 2, ing profits were nearly 30 per compared with a loss of £51m. It paid an interim dividend of cent ahead at £344m on a 14.1 per cent increase in turnover 0.5p. baving passed it last time. Turnover slipped to

to £3.29hn\_ But the company suffered

The group said UK demand recovered markedly in the first half, but this largely reflected an increase in stock.

The underlying improve-ment in UK steel demand remained modest. In mainland Europe markets were very depressed and no recovery was expected in the current year. Mr Brian Moffat, chairman

and chief executive, said: "The company continues to demonstrate its ability to deal with extremely difficult market conditions, but the critical ingredient for a return to adequate profitability and increased dividends remains the political will of governments to end the proliferation of state subsidies.

returns to

first half

By Andrew Bolger

in London

the black in

BRITISH Steel vesterday

reported a hetter-than-expec-

ted recovary in profits, hut

warned that governments must stop subsidising overca-

pacity in the European steel industry.

£2.45bn from £2.56bn.

The group said progress on solving overcapacity and subsidies in the EU industry had heen slow, particularly because of delays in submitting firm proposals regarding state-owned companies in Italy, Spain and Germany. Mr Moffat said: "While

streunous efforts are being made hy the European Commission to uphold existing restrictions on state aid, substdies continue and the Council of Ministers must now bring matters to a head in order to prevent insolvent state-owned companies forcing some private sector producers out of

British Steel has improved hy raising prices and cutting costs. The workforce at the £32m of losses, largely from its French and German regional airlina operations.

Mr Robert Ayling, BA's managing director, said its French partner, TAT, was about to launch a programme to reduce costs and improve the airline's profitability. However, BA expects a gradual improvement in the affiliate's performance over the next 12 months.

TAT, in which BA owns a 49 per cent stake, has been badly hit hy the recession in France. BA's German joint airline venture, Deutsche BA, also lost money in the first half as a result of poor trading condi-

tions in the German market. Overall, passenger numbers tor slipped 1.8 percentage

increased 12.1 per cent to 15.4m in the first half. But with a slightly higher rise in capacity, the airline's passenger load fac-

points to 72.8 per cent. The relative weakness of sterling improved yields and first and husiness class premium traffic showed some strengthening in the second quarter with an average 2 per cent growth over last year.

However, Mr Ayling said the

main growth in the first half

had come in economy class trave BA's strong financial performance against the general industry trend reflected continuing improvements in holding down costs and productiv-

Sir Colin stressed the impor-tance of increasing efficiency. BA's target this year was to achieve savings of £150m. "We have already identified savings of over £100m. This, added to savings over the last two years of more than £400m, means than half a hillion pounds of costs out of our company over

a three-year period, He said BA was leading the way in forming a global airline system with its partners in the US, Australia and Europe, This was likely to lead eventually to a rationalisation of the part. ners' fleets, particularly in the commuter and regional turbo-

propeller aircraft sector. Shareholders will receive an interim dividend of \$180 a share, up 8.5 per cent Fully diluted earnings per share were 0.5 per cent down at 20.4p, reflecting last May's

£442m rights issue.

Gearing stood at 51 per ce at the end of the first half showing an 11 point improve. ment since the end of March

energy group

rises 12.4%

By Patrick Skim in Vienna

ENERGIE-Versorgung

Lex. Page 18; London SE, Page 31

Austrian

### Nissan Iberica deeper in red

By Kevin Done, Motor Industry

NISSAN Motor Iberica, the Spanish arm of the Japanese carmaker, plunged to a pre-tax loss of Pta28.01hn (\$207m) in the first nine months of the year from a loss of Pta5.44bn in the same period a year ago.

The heavy losses, which are forecast to total about Pta40bn for the full year, are forcing the company into a drastic financial restructuring including the write-off of ahout twothirds of Nissan Iberica's equity capital of Pta60bn.

The company said yesterday that the accumulated losses for 1992 and 1993, which are expected to total about Pta54hn. would be funded by existing reserves of about Ptal3bn and by an equity write-off. Tha write-off would reduce net worth to about Pta20bn.

Nissan, which has 70.3 per cent of its Spanish subsidiary, had planned to inject a further Pta10hn (\$73m) in new equity into the company following the provision of Pta5bn in the sum-

Its room for financial action is being constrained hy mounting losses in its worldwide operations, in particular in Japan.

Nissan Iberica is to meet Spanish trade unions at the end of the month to discuss its

Holderbank expects further gains

could foresee a dividend

increase, hut was not specific. Cement shipments would

proposals to eliminate a further 500 jobs in addition to the 600 it is cutting. The work-force, which totalled 7,200 people at the start of the year, has fallen to 6,950 and is expected to be cut hy about 15 per cent in 1993-94.

The company's finances have come under acute pressure from the sharp fall in new vehicle sales in Spain and across west Europe, which has coincided with heavy capital investments by the Japanese vehicle maker in Spain in new production capacity and in the

development of new models. It is carrying a heavy burden of depreciation and financing

interests will claim 34.6 per

cent of this year's net income.

Mr Max Amstutz, deputy

Niederoesterreich (EVN), the Austrian energy utility, yester-day reported higher turnover and profits for 1992-93, and promised an increased winter warmer dividend. Turnover was Sch10.3hm (\$873m), up 4.6 per cent on the previous year in spite of the economic downturn. Operating results were up 12.4 per cent to Sch761m. The dividend is set at

21 per cent, up from 19 per cent in 1991-92. Earnings per share rose 12.3 per cent to Sch82 Higher volumes of business in all areas, combined with increased productivity and adherence to a strict cost management policy, have provided

the result," said Mr Rudolf Gruber, chairman. EVN has agreed to sell up to half of its 50 per cent stake in RAG, the Austrian oil and gas exploration company in which Mobil and Shell each hold 25 per cent. The buyer is Bayernwerk, the German utility with which it will form a new holding company. The price was

for its stake in 1992. Mr Gruber said the outlook was positive. EVN would benefit by about Sch100m following

### Usinor sees FFr5bn loss for year

By John Ridding in Paris

MR Francis Mer, chairman of Usinor Sacilor, the French state-owned steel group, yesterday forecast the company would suffer losses of ahout FFr5bn (\$\$47m) this year and that its results were unlikely

to improve until 1995. Mr Mer said the company continued to suffer from the sharp downturn in internatlonal steel markets which had

put strong pressure on volumes and prices. 'Second-half results are

likely to he around the same levels as in the first half of 1993," said Mr Mer, referring to uet losses of FFr2.59bn which were recorded in the January-June period.

The first-half performance

workforce. represented a sharp decline on the same period in 1992 when the group reported losses of measures in 1984," he said,

All of these securities having been sold, this advertisement appears as a matter of record only

\$170,000,000

OMI Corp.

101/2 Senior Notes due November 1, 2003

Mr Mer said that the depressed state of the international steel markets could result in the loss of up to 100,000 johs out of a total of 350,000 employed in the industry in Europe. But he added that Usinor Sacilor would not have to make sharp cuts in its

Usinor will play only a limited role in this reduction since we began our restructuring to SFr405m (\$270m) in 1993 and held out the prospect of further gains in 1994. Mr Thomas Schmidheiny,

HOLDERBANK, one of the

world's largest cement produc-

ers, has forecast a 3.9 per cent

rise in consolidated net profit

By lan Rodger in Zurich

chairman of the Swiss group. called this year's expected profit rise satisfactory, considering the "extremely difficult conditions" in many construc-

tion markets. Mr Schmidhelny sald he

Notice of Redemption

Mortgage Funding

Corporation No.5 PLC

£110,000,000 Class A1

Mortgage Backed

Floating Rate Notes

Due November, 2035

NOTICE IS HEREBY GIVEN

to the holders of the Class Al Notes, that the Issuet has deter-

mined in accordance with the

Redemption provisions set out n the Terras and Conditions. the Class Al Notes in the tount of £6,600,000 will be

redeemed on the next Interest Payment Date, 30th Novem-

per, 1993 (the "Redemption

Dare"). The Class Al Notes

will be redeemed on a pro rata basis and the Principal Payment

pet Class Al Note will be £6,000. The Principal Payment

on each Class Al Note will be made in accordance with the operating procedures of Euro-

ALLIANCE LEICESTER

ance & Leicester Building Socie £50,000,000

Subordinated Variable Rate

Notes 1998

lear and Cedel. Bankers Trust Company, Lond Jorh November 1993

were 35 per cent ahead of last year, European markets were

J.P. Morgan & Co.

Subordinated floating rate

notes due November 2002

provisions of the notes, notice

is hereby given that for the 1993 to 16 May 1994 the notes

will carry an interest rate of 5.25% per annum. Interest

payable on the relevant interest payment date 16 May 1994 will

amount to US\$131.98 per US\$5,000 note and US\$2,639.60

Agent: Morgan Guaranty Trust Company

ALLIANCE - LEICESTER

Alliance & Leicester Building Society

£150,000,000

In accordance with the provisions of the Notes, notice is hereby given that the Rate of Interest for the

that the Rate of Interest for the three month period ending IIth February, 1994 has been fixed at 5.8575% per armum. The interest accruing for such three month period will be £147.64 per £10,000 Bearer Note, and £1,476.41 per £100.000 Bearer Note, on IIth February, 1994 against presentation of Coupon No. 23.

Union Bank of Switzerland London Branch Agent Bank

Uth November, 1993

per US\$100,000 note.

JPMorgan

Incorporated

US\$250,000,000

In accordance with the

chief executive, said the group rise 5.6 per cent to 45.6m tonnes and deliveries of anticipated that the US Holnam subsidiary and St Lawready mixed concrete would rence Cement in Canada advance 5.3 per cent to 13.9m would return to profit next

The gains were coming mainly from the US and Latin Swiss Bank Corporation has made an agreed bid to acquire Seeland Bank, a struggling American markets. Apart from eastern Germany where sales

Holderhank has operations in 30 countries, and minority

Swiss regional bank based in Biel with total assets of close to SFr5bn. The share and cash offer val-

ues the bank at SFr193.9m. Austrian tax reform.

This is a replacement of Notice published 9th November, 1993.

Notice, for information only, to the Bondhalders of SCA CAPITAL CORPORATION B.V. ECU 101,000,000

4 1/4 PER CENT. GUARANTEED CONVERTIBLE BONDS (THE "BONDS") GUARANTEED ON A INTO NON-RESTRICTED CLASS B SHARES OF, SVENSKA CELLULOSA AKTIEBOLAGET SCA: THE COMPANY

NOTICE TO BONDHOLDERS In accordance with the Notice to Bondholders published on September 6, 1993 The Board of Directors of Svenska Cellulosa Aktiebolager SCA had 1993 The Board of Directors of Svenska Cellinosa Aktienolager Sca. nad decided to increase the Share Capital of the Company through a Rights Issue of Shares with a preferential right for the shareholders to subscribe for the New Shares. The decision was duly approved by an Extraordinary General Meeting of the shareholders of the Company held on September 21, 1902.

5ubscription for the New Shares ended on October 27, 1993 and as a result thereof and pursuant to Clause 9[A] (4) of the Trust Deed dated 17th January 1989 constituting the Bonds the Conversion Price applicable to the Bonds has been adjusted to 5EK 130. The new Conversion Price is effective as from November 1, 1993 but with retroactive effect as from September 29, 1993.

Stockholm November 1: 1993 SVENSKA CELLULOSA AKTIEBOLAGET SCA The Board of Directors



This notice does not constitute an invitation or offer for the sale of any securities in Svenska Cellulosa Aktiebolaget SCA.

MERCURY OFFSHORE STERLING TRUST (SICAV) 14, rue Léon Thyes, L-2636 Luxembourg, R.C. Luxembourg No.B. 6317 PAYMENT OF DIVIDEND

> Notice is hereby given to shareholders that an intetim dividend From the year ended 30th September. 1993 of 3.10p for the Reserve Fund, of 0.44p for the Pacific Fund and 1.70p for the UK Fund to registered shareholders who were on the register at 30th September, 1993.

Citicorp Securities, Inc.

These dividends will be paid from 7th December, 1993 to bearer shareholders of the respective Funds against presentation of coupon No.10 for the Reserve Fund, coupon No.6 for the Pacific Fund, and coupon No.7 for the UK Fund, at the Company's Paying Agents including its Credits Paying Agent in the United Lingdom:

S.G. WARBURG & CO. LTD.

Credits Paving Agency, 2 Finsbury Avenue, London EC2M 2PA from whom claim forms can be obtained. United Kingdom tax will be deducted from claims in the United Kingdom at the rate of 25 per cent, unless claims are accompanied by an affidavit.

MERCURY OFFSHORE STERLING TRUST (SICAVI

ARTIFICIAL INTELLIGENCE FUTURES TRADING "INTELLIGENT TECHNICAL SYSTEMS"
LEADING CONSULTANTS.

INOTES 1976
In accordance with the Terms and
Conditions of the Notes, notice is
hereby given that the Rate of
increat los the Twenty-Second Interest Period from 11th November,
1993, to 11th February, 1994, has
been fixed at 6.5375% per annum.
Interest payable on 11th February,
1994, will amount to £164.78 per
110.000 enteroal amount. 10,000 principal amount. Bankers Trust Company, London Agent Bank

Guangdong International Trust
& Investment Corporation U.S. \$150,000,000 Floating Rate Notes due 1998

Floating Rate Notes due 1998
In accordance with the provisions of the Notes, notice is bereby given that the Rate of Interest for the six month period ending 16th May, 1994 has been fixed at 4,05% per annum. The interest accruing for such six month period will be U.S. \$20.48 per U.S. \$1,000 Bearer Note, and U.S. \$204.75 per U.S. \$10,000 Bearer Note and U.S. \$2,047.50 per U.S. \$10,000 Bearer Note on 16th May, 1994 against presentation of Coupon No. 2.
Union Bank of Switzerland Union Bank of Switzerland London Branch Agent Bank Lth November, 1993



Federal National Mortgage Association ¥7,000,000,000 Floating Rate Japanese Yen Debentures

Due May 17, 1996 Notice is hereby given, that the rate of interest from November 17. 1993 through and including May 16, 1994 is 2.85% per annum. Interest payable on May 17, 1994 will amount to ¥14,133 per

¥1,000,000 principal amour By: The Chase Menhattan Bank, N.A. London, Fiscal Agent November 16, 1993

OHASE

Notice to the holders of McDonald's System of New Zealand Limited

NZ\$50,000,000 9 3/8 per cent. Guaranteed Bonds (the "Bonds") Due 1999 Unconditionally Guaranteed as to Payment of Principal and Interest by

**McDonald's Corporation** 

ISIN CODE XS 0035124873 Notice is hereby given to the Holders of the outstanding Bonds that, on and with effect from 16 November, 1993, (the "Effective Date"). Westpac Banking Corporation London Branch will resign as Fiscal Agent and Principal Paying Agent under the Bonds and on and with effect from the Effective Date, Kredietbank S.A. Luxembourgeoise will be appointed as successor Fiscal. Agent and Principal Paying Agent.

The address of the new Fiscal Agent and Principal Paying Agent under the Bonds will be:-

Kredietbank S.A. Luxembourgeoise 43, Boulevard Royal, L-2955 Luxembourg Telephone No. (352) 47 97 1 Facsimile No. (352) 47 26 67

Westpac Banking Corporation 16 November, 1993,

£100,000,000 **Britannia** Building Society Floating Rete Notes due February 1996 In accordance with the provisions of the Notes, notice is hereby given that for the Interest Penod from November 12, 1993 to February 14, 1994 the Notes will carry an Interest Rate of \$.8375%

per annum The Interest payable on the televant interest payment date. February 14, 1994 will be £150.34 per £10,000 Note and £1,503.36 per £100,000 Note. By: The Chase Manhatten Bank, N.A. London, Ageni Bank November 16, 1993

November 1993

Goldman, Sachs & Co.

Daily Gold Fax - free sample from Chart Analysis Ltd 7 Swallow Street, London W18 7HD, UK-commodity specialists for over 22 years

OUOTE

Dividends will not be paid on the remaining Funds.

51

Va

(61

# PartnerRe

\$1,002,500,000

# PartnerRe Holdings Ltd.

the holding company for

# Partner Reinsurance Company Ltd.

13,456,464 Shares

PartnerRe Holdings Ltd.

Common Shares

with

Warrants

Swiss Reinsurance Company, John Head & Partners L.P., Head Insurance Investors III . (Bermuda) L.P. and certain Institutional Investors have subscribed to purchase common shares with warrants in PartnerRe Holdings Ltd. The private placement of these securities has been arranged through the undersigned.

SMITH BARNEY SHEARSON INC.

MORGAN STANLEY & CO.

The undersigned initiated the organization of, and are Sponsors of, PartnerRe Holdings Ltd.

JOHN HEAD & PARTNERS L.P. SWISS REINSURANCE COMPANY

Financial Advisors to PartnerRe Holdings Ltd.

MORGAN STANLEY & CO.

SMITH BARNEY SHEARSON INC.



37,375,000 Shares

# PartnerRe Holdings Ltd.

Common Shares

Price \$20 a Share

Copies of the Prospectus may be aktained in any State from only such of the nodersigned as may legally after these Scenrities in camplicace with the sceneities kins of such State.

### 29,900,000 Shares

This portion of the affering is being affeced in the United States, Canada and Bernaula by the undersigned.

MORGAN STANLEY & CO.

PRI/DENTIAL SECURITIES INCORPORATED

SMITH BARNEY SHEARSON INC.

CS FIRST BOSTON

BEAR, STEARNS & CO.INC. A.G. ROWARDS & SOAS, INC. LEUMAN BROTHERS OPPENHEIMER & CO., INC.

SOCIETE GENERALE

DILLON, READ & CO. INC. KIDDER, PEABODY & CO. MERRILL LYNCH & CO.

DONALDSON, LCFKIN & JENRETTE

LAZARD FRERES & CO. J.P. MORGAN SECURITIES INC. PAINEWEBHER INCORPORATED SALOMON BRITTIERS INC WERTHELM SCURODER & CO.

DEAN WITTER REYNOLDS INC. FOX-PITT, KELTON INC. BERMUDA INTERNATIONAL SECURITIES LIMITED WILLIAM BLAIR & COMPANY CONNENG & COMPANY DAIN BOSWORTH REMPER SECURITIES, INC. LEGG MASON WOOD WALKER PIPER JAFFRAY INC. WHEAT FIRST RCTCHER & SINGER THE ROBINSON-HOMPHREY COMPANY, INC. CROWELL, WEEDON & CO. ADVEST, INC. ROHERT W. HAIRD & CO. J. C. HRADFORD & CO. DOMINICK & DOMINICK FIRST ALHANY CORPORATION DOFT & CO. INC. INTERSTATE/JOHNSON LANE JANNEY MONTGOMERY SCOTT INC. FIRST OF MICHIGAN CORPORATION

McDONALD & COMPANY NEEDHAM & COMPANY, INC. LADENHURG, THALMANN & CO. INC. NORTHINGTON CAPITAL MARKETS, INC. NEUBERGER & HERMAN THEOHIO COMPANY RACNCHER PIERCE REFNAES, INC. SUTRO & CO. INCORPORATED STIFKL NICQLAUS & COMPANY TUCKER ANTHONY THE BANK DE N.T. HETTERFIELD & SON BREAN MCRRAY, FOSTER SECTRIFIES INC. FIRST BERMODA SECORITIES LIMITED CRAIGIE INCORPORATED FATINESTOCK & CO. INC. JOHNSTON, LEMON & CO. FIRST MANHATTAN CO. FOLEY MEFSON HOWE & COMPANY PAPESEN, DOWLING SECTRIFIES, INC. C. L. KING & ASSOCIATES, INC. MESTROW FINANCIAL, INC.

RAGEN MACK ENZIE PENNSYLVANIA MERCHANT GROUP LTD VANKASPĒRÆ COMPANY 7,475,000 Shares

This partion of the offering is being offered outside the United States, Canada and Bermula by the undersigned.

MORGAN STANLEY INTERNATIONAL

SMITH BARNEY SHEARSON INC.

CS FIRST BOSTON

THE SEIDLER COMPANIES

IL G. WELLINGTON & CO. INC.

CAZENOVE & CO. SOCIETE GENERALE

DECISCHE HANK SWISS BANK CORPORATION

TBS LIDITED

NOMIPRA INTERNATIONAL LIMITED S.G.WARDD DOLSECCRITTES

Nucember 10, 1993

By Richard Waters n New York

MR JOSEPH Perella, one half of Wall Street's most successful mergers and acquisitions double act in the 1980s, moved back into the mainstream of investment banking yesterday. He announced he would join Morgan Stanley.

Mr Perella resigned two months ago from Wasserstein Perella, the M&A boutique he founded with long-term associate Bruce Wasserstein in 1988. He left behind his name and what he said was a "significant" equity intarest in the

Mr Perella, 52, will join Morgan Stanley'a operating committee, but have no involvement in the management of its investment banking department. He said he had not dis-

By Christopher Brown-Humes In Stockholm

SAAB Automobile stepped up the recovery pace in the third quarter of 1993 with a 47 per

cent reduction in losses after

financial items, to SKr285m

The result, which compares

with a SKr541m deficit in the

same 1992 period, reflects the

benefits of a cost-cutting pro-

company, jointly-owned by

General Motors of the US and

Saab-Scania, amounted to

SKr844m over the first nine

months, down 37 per cent from

(\$34.8m).

cussed a management role and Morgan Stanley said the with any of the banks he talked to.

The move to Morgan follows intense competition from several Wail Street houses for his services, indicating the sharp increase in M&A activity this year after a two-year lull It also pointed to the ambi-tion of a number of securities

houses to expand their investment banking operations. Mr Perella eventually chose Morgan Stanley, an established housa, over Merrill Lynch, which has sought to graft a stronger investment banking

broking and trading activities. He will fill the gap left at Morgan Stanley by the depar-ture this year of Mr Robert Greenhill, the bank's former Barney. But both Mr Perella

A 20 per cent rise in sales, to SKr3.72bn, during the latest

quarter helped lift sales for the

first nine months by 3 per cent

the company's invoicing to

dealers and importers, rather

than improved market condi-

tions or any significant benefit

from the depreciation of the

Retail sales were substan-

tially lower at 53,000 cars, com-

pared with 66,000 last year,

largely because the group stopped making its old 900

model which was launched on

The latest figures include

The improvement reflects

to SKr11.5bn.

series in March.

operation on to its substantial

in sales appointment would have been made even if Mr Greenhill had

Mr Greenhill has remained the leading adviser to Viacom in its bid to acquire Paramount, leaving Morgan Stanley with only a supporting role in the biggest contested takeover battle since the late 1980s

ment in Vlascom. However, the hank's work for Merck in the acquisition of Medco Cootainment Services, and for AT&T in its purchase of McCaw, will put Morgan back among the leaders in the

advising Nynex on its invest-

still been at the firm.

M&A business for this year. Mr Perella refuses to comment on why he parted com-pany with Mr Wasserstein. "I bave an amicable relationship with Bruce. I just thought it was time to move on." he said.

Saab Auto recovery quickens the European market in Sep tember. The launch has led to an upturn in group sales in Sweden. A positive response in other kay markets, including

the UK and US, is expected in the final few months. Car sales of between 73,000 and 75,000 are expected in the full year. This is less than the

80,000 units originally forecast. Although Saab expects to remain in tha red for the year, it saya lts deficit will be "substantially lower" tban last year's SKr2.69bn

It is looking to end a run of five consecutive years of losses next year with at least a

Profits improve at US toy retailer

By Richard Waters PRE-TAX earnings at Toys 'R'

Us. the US toy retailer, advanced 17 per cent in the three months to the end of October. The result reflected the continued benefits of increased sales of highermargin products.

Although the results were close to analysts' expectations, dipped \$11/2 on the news, to

Pre-tax earnings rose to \$67.6m, as sales grew by 8 per cent during the quarter from a

year ago, to \$1.45bn. After a one-off charge of \$5m due to the change in the US corporate tax rate, net earnings were \$37.5m, or 13 cents a share, compared with

which bad risen in recent \$36.8m, or 12 cents, the year weeks to a 12-month higb, before.

US store sales saw a "slight" increase year-on-year, said Mr Charles Lazarus, chairman. German sales fell as the economy there slowed, though other European and Canadian stores saw a sales increase.

The company plans to open between 100 and 115 stores next year, he said.

### **Kmart falls** 22% despite healthy rise

By Frank McGurty in New York

KMART, the second-largest retailer in the US after Wal-Mart, yesterday posted a 22.5 per cent decline in thirdquarter earnings, despite a 10.5 per cent increase in

In the 13 weeks to October 27, net income was \$94m, or 20 cents a share, compared with \$122m, or 27 ceots, in the corresponding period of 1992.

Sales reached a record \$9.77bn, np from \$8.84bn a year earlier. On a comparablestore basis - excluding ontlets opened for less than a year sales were up 3 per ce

The company said the poor profits performance primarily reflected a further substantial loss by its Pace membership warehouse division. In addition, income contributed by the PayLess drug-store operation was down 31 per cent.

Although slightly worse than analysts bad expected, the 20-cents-a-share earnings figure did not raise undue concern on Wall Street. This was becansa of the company'a recent moves to shed the two underperforming businesses.

This month, Kmart agreed to sell 91 of its 113 Pace stores to Wal-Mart. It also announced plans to close the remainder. Days earlier, a Los Angeles tment company agreed to buy the PayLess operation for

The retailer said it would take an estimated \$450m charge against fourth-quarter earnings to cover costs related to the divestments and store

Compared with a year ago, aales were more beavily weighted toward lower-priced items. As a result, gross margins slipped to 24.I per cent, from 24.2 per cent.

Earnings also suffered from the effect of the 1 per cent increase in the federal tax rate for corporations, enacted in August.

In the first nine months, net income hefore an extraordinary Item was down 39.2 per cent to \$246m, or 53 cents. Sales were \$29bn, up 10.4 per

# Slimmer Wang gets back on line

Alan Cain looks at how the US computer group has re-emerged

Tt was once America's fastest growing computer com-pany. But when Wang Laboratories slipped into hankruptcy 15 months ago, there were fears it had entered a black bole from which there could be no return. The position seemed desper-

ate. It was one of the first victims of the profound changes now racking the global computer industry. Its technology was obsolete, its revenues were declining rapidly, and its debt, despite the Herculean efforts of former chairman Mr Richard Miller - who had managed to pay off \$575m - stood at a over half a billion dollars.

Today, Wang will report its first quarterly figures aince emerging from the protection of Chapter 11 of the US bankruptcy code three weeks ago. The price paid for aurvival includes loss of control by the family of Dr An Wang, the brilliant Chinese-born inventor wbosa death from cancar in 1990 exacerbated the crisis, and a significant change of iden-

The old Wang with \$3bn in sales was a manufacturer of proprietary minicomputers tuned to run Wang'a own, wellregarded office software.

Today's Wang is a slimmer computing services company with just under \$1bn worth of sales, marketing a range of white-collar productivity software and prepared to work with industry standard hardware and other auppliers to meets customers' needs.

The chief link with the old Wang remains the commitment to computer systems for the office and for workgroups. Mr Miller resigned at the beginning of the year. Wang has a new chairman and chief executive in Mr Joseph Tucci, promoted last month. Mr Tucci joined Wang as vice-president, operations, in 1990. Ha was recruited by Mr Miller, who reasoned that Mr Tucci's previous experience with Unisys, another US manufacturer hard-

hit by the changes in tha

industry, could help Wang

through the crisis. Crucial to the company'a survival has been the manoeuvres to eliminate the debt burden and rejuvenate the balance sheet. The key has been a conversion of debt to equity. Wang's principal creditors, including suppliers such as Hewlett-Packard, were peranaded to take stock in the new company.

Before the plan was confirmed, Wang had a negative net worth of \$508m, with combined short-term and long-term debt of \$497m. Now, coupled with the debt conversion, the company has raised a further \$60m through the placement of preferred stock, and describes itself as having the strongest halance sheet in the computer

industry.
Its justification is a cash level at 20 per cent of total assets, compared with 8 per cent for Hewlett-Packard and 6 per cent at IBM. Long-term debt is 1 cent of equity, against



Joseph Tucci: negotiations with creditors 'difficult'

28 per cent at IBM and 97 per cent for Unisys.

The essence of the Wang argument was that the company could successfully move from proprietary hardware and software to open - or industry standard - systems and "client-server computing".

lient-server computing is generally acknowledged as the principal direction of the computer industry now. It implies networks of low-cost personal computers linked through a network to larger computers which share the processing

Wang has spent the past three years converting its old proprietary software to the new client-server systems. It.

papering over the deficiencies of the old software simply leads to inefficiencies and frustrated customers.

Mr Tucci describes negotiations with creditors as "difficult" and talks of the due dill. gence process. They went through every line of computer code to see if we had really moved the software to client. server. In the end, the survival plan gained the support of 97 per cent of the old and new

His strategy now is to develop the company's office productivity software - including programs for document management, imaging, work-flow and electronic mail while continuing to support its line of VS minicomputers.

Tha line will not develop much further, but there are 20 000 customers who will contimue to need maintenance and

Although the company will invest some \$50m in research and development this year, most of that will go on soft-ware development. There will be no next generation of VS computers," Mr Tucci says. There is a newly-appointed

board of directors. The new, financially sound, Wang is also receptive to ideas in a way that would have been alien to its predecessor. "We are setting no rules." Mr Tucci says: "We are open to every way of working with our cus-tomers and with other suppli-

### Cragnotti changes tack with Mardon sale.

By Haig Simonian in Milan and lan Rodger in Zurich

THE DECISION by Cragnotti & Partners Capital (CPC) to sell its controlling stake in Canada's Lawson Mardon packaging group to Alusuisse Lonza, the Swiss aluminium and chemicals group, marks a change of strategy for the Milan-based

financial company. For Mr Cragnotti, a former executive at Italy's Ferruzzi group, the purchase of Lawson Mardon represented the first step in an ambitious plan to turn CPC into an international financial powerbouse

combining corporate finance with industrial management

Packaging, in the form of Lawson Mardon, was the first in a trio of sectors identified as ripe for investment and internationalisation, with foodstuffs and detergents representing the two others,

Since then, however, matters have changed. Mr Cragnotti, a close associate of Mr Raul Gardini, the Italian entrepreneur who committed suicide in July, has also become involved in the corruption investigations which contributed to Mr Gardi

Mr Cragnotti has been building up food interests in Italy, and had been tipped as one of the potential buyers of parts of the state-controlled SME foods, catering and retailing group

now being privatised.

For Alusuisse Lonza the takeover of Lawson Mardon would represent a giant step towards completing its 10-year restructuring programme begun two years ago.

designed to move the group decisively away from the volatile aluminium business, SF1744m; which then representatively last year.

thirds of its SFr6.3bm (\$4.2bn)

By the end of the decade, the group shos to have sales of -SFrom to SFrlibn it wants sales to be split in three count party sasons aleminium products, chemicals and pack

it is currently pulling together its various packaging operations (mainly based on absorbation) into a coherent The programme was division and to date, excluding esigned to move the group Lawson Mardon, has made ecisively away from its eight acquisitions. Packaging heavy dependence on the division seles have grown from volatile aluminium business. SFr744m in 1988 to SFr14bn

ur recent merger transaction allows Minoreo to make a far bigger impression in global markets as one of the world's largest natural resources groups.

Our core operating businesses include gold, base metals, industrial minerals and pulp, paper and packaging, while our expanded geographical base now makes us a major player on the world stage.

Minorco, new strength in depth, with diversity.

MINORCO

9 RUE SAINTE ZITHE, L-2763 LUXEMBOURG

40 HOLBORN VIADUCT, LONGON ECIP LAJ

### NOTICE OF REDEMPTION

### MORTGAGE FUNDING CORPORATION NO. 2 PLC

Class B-1 Mortgage Backed Floating Rate Notes Due August 2023

NOTICE IS HEREBY CIVEN to Bankers Trustee Company Lamind (the "Trustee") and to the holders of the Class B-1 Mortgage Backed Floating Rate Notes Due August 2023 (the "Class B-1 Notes") of Mortgage Funding Corporation No. 2 PLC (the "Issuer") that, pursuant to the Trust Deed dated 31st August, 1983 (the "Trust Deed"), between the Issuer and the Trustee, and the Agency Agreement dated 31st August, 1983 (the "Agency Agreement"), between the Issuer and Morgan Guaranty Trust Company of New York (the "Principal Paying Agent") and others, the Issuer has determined that in accordance with the Redemption provisions set out in the Terms and Conditions of the Class B-1 Notes, Class B-1 Notes in the amount of £4,000,000 will be redeemed on 30th November, 1993 (the "Redemption Date"). The Class B-1 Notes selected by drawing in lots of £100,000 for redemption on the Redemption Date at a redemption price (the "Redessption Price") equal to their principal amount, together with accrued interest thereon are as follows:

OUTSTANDING CLASS B-1 NOTES OF £100,000 EACH BEARING. THE DISTINCTIVE SERIAL NUMBERS SET OUT BELOW

185 216 218 231 564 565 576 725 734 761 771 791 893 1054 1100 1111 1112 1129 The Class B-1 Notes may be surrendered for redemption at the specified office of any of the Paying Agents.

Morgan Guaranty Trust Company of New York

London EC4Y 0JP Union de Banques Suisses (Luxembourg) S.A. 36-38 Grand-rue

L-2011

Morgan Guaranty Trust Company of New York Avenue Der Arts 35 B -1040 Brussch, Belgium Morgan Guaranty Trust Company of New York 55 Exchange Place, Basement A New York, New York 10260-0023

La Tour Bright

Attn: Corporate Trust Operations In respect of Bearer Class B-l Notes, the Redemption Price will be paid upon presentation and surrender, on or after the Redemption Date, of such Notes together with all unmatured coupons and talous appertuning thereto. Such payment will be made (i) in sterling at the specified office of the Paying Agent in London or (ii) at the specified office of any Paying Agent bisted above by sterling cheque drawn on, or at the option of the holder by transfer to a sterling account maintained by the payee with, a Town Clearing branch of a hank in London. On or after the Redemption Date interest shall cease to accrue on the Class B-1 Notes which are the subject of this Notice of Redemption.

MORTGAGE FUNDING CORPORATION NO. 2 PLC By: Morgan Guaranty Trust Company as Principal Paying Agent Dated: 16th November, 1993

NOTICE Withholding of 31% of gross redemption proceeds of any payment made within the United States is required by the Internal Revenue Code of 1986 and amended by the Energy Policy Act of 1992 unless the paying agency has the correct expayer identification number (social security or employer identification number) or exemption certificate of the Payer. Please furnish a properly completed Form W-9 or exemption certificate or equivalent if presenting your Class B-1 Notes to the paying agency's New York Office.

NOTICE OF PREPAYMENT



EUROPEAN INVESTMENT BANK

ESP 12,500,000,000,- 11.40% Bonds due 19 th December 1995 Notice is hereby given to the Bondholders that pursuant to

clause "OPTINAL REDEMPTION", the issuer has elected to reedem and prepay all outstanding Bonds, on 19th December 1993 at a redemption price of 101% of the principal amount thereof, together with accrued interest thereto.

Interest will cease to accrue on the Bonds as of 19th December

Payment of interest due 19th December 1993, will be made as usual in accordance to the Term and Condidon of the Bonds. Bonds should be presented and surrendered for payment with all outons attached appartaining thereto maturing after 19th December,

1993 at Banco Español de Crédito (BANESTO) Madrid.

MERCURY SELECTED TRUST (SICAV) 14, rue Léon Thyes, L-2636 Luxembourg, R.C. Luxembourg No.B. 6317

PAYMENT OF DIVIDEND

Notice is hereby given to shareholders that an interim dividend for the year ended 31st December, 1993 of US\$0.17 for the Global Managed Currency Fund has been declared by the board. This dividend will be paid on 26th November, 1993 to register shareholders of the Fund who were on the register at 11th

This dividend will be paid from 26th November, 1993 to beare shareholders of the Fund against presentation of coupon No.9 at any of the company's paying agents including its credits paying agent in

S.G. WARBURG & CO. LTD.

Credits Paying Agency, 2 Finsbury Avenue, London EC2M ZPA from whom claim forms can be obtained. United Kingdomatax will be deducted from claims in the United Kingdom at the rate of 25 per cent, unless claims are accompanied by an affidavit.

MERCURY SELECTED TRUST (SECAV)

M:

51

Va

(60

preig

ıby ith

his

ion

and

ntry

tsin

## Hyundai Motor aims to double capacity by 2000

HYUNDAI Motor, South Korea's largest maker of vehicles, plans almost to double its production capacity to 2m cars and trucks by 2000.

The Won3,300bn (\$4hn) project to build three factories and two engineering centres would make it one of the world's 10 biggest producers of vehicles.

Hyundai's expansion is a key element in the state-sponsored X-5 programme to make South Korea one of the five leading vehicle manufacturers by the end of the century. The programme is being supported by soft state loans.

Some analysts, however, question whether South Korea is heading for overcapacity in vehicle production. Hyundai Motor can now pro-

duce 1.15m vehicles a year at its facilities in the south-east city of Ulsan, the manufacturing centre of the Hyundai busiess conglomerate.

The new facilities will be built in the western half of the country as part of the government's plan to promote bal-anced regional development. The first factory at Wanju,

North Cholla province will be completed in 1995 and produce 70,000 trucks and buses a year. It will be the centre for Hyundai's production of large-sized

A plant at Asan, South Chungchong province, will go into operation in 1996 and produce 300,000 medium-sized cars annually for export.

The final phase of expansion will be a facility at Yeochon, South Cholla province, which will begin producing 500,000 vehicles a year in 2000. It will also include a research centre and test track. The expansion coincides

with efforts by Hyundai to increase sales in Europe and Asia and reduce its dependence on the North American market. Exports have been boosted this year by a 20 per cent fall in the value of the Korean won against the Japanese yen. Hyundal estimates that over-

seas sales will rise by 16 per cent to 330,000 vehicles. Significant growth in Asia has offset a downturn in European sales due to the recession.

It is considering building two overseas plants, one in Europe,

The latest figures disguised

signs of improvement in the

group's sales, thanks to a

recent government crackdown

### Cost-cutting planned by Tabacalera after 61% fall

US in July.

By Tom Burns in Madrid

TABACALERA, Spain's. government-controlled tobacco group, reported a 61 per cent drop in consolidated pre-tax profits to Pta6.4bn (\$46.8m) for the first pine months. It is to introduce a cost-cutting programme to improve its balance

The profits plunge was blamed on an increase in contraband tobacco, competition from imported lower-priced brands, and the increased cost of raw materials following the peseta's depreciation.

Tabacalera, which intends to shed 500 johs under early retirement schemes, said it hoped to save more than Ptalim before the end of this year through spending cuts.

### Hollinger drops to C\$6.8m in third term

By Bernard Simon in Toronto

HOLLINGER, the International newspaper group con-trolled by Mr Conrad Black, blamed a drop in nine-month earnings on the decline in the pound sterling and weak advertising in its Canadian publications.

Third-quarter earnings dropped to C\$6.8m (U\$\$5.2m), or nine cents a share, down from C\$9.1m, or 13 cents, a year earlier. Revenues dipped to C\$213.6m from C\$218m. Nine-mouth earnings, excluding unusual items, edged down to C\$33.8m from

The company said operating results showed an "encouraging improvement" in its non-Canadian businesses, which included a 68 per cent stake in the UK Daily Telegraph, the Jerusalem Post and a chain of

small US newspapers. The Telegraph owns a minority interest in John Fairfax Holdmes of Australia. However, the Telegraph's net contribution to Hollinger's earnings has increased only slightly so far this year, after taking into account the decline

in the sterling exchange rate to an average of C\$1.93 per pound from C\$2.17 in 1992. Hollinger raised its exposure to the Canadian newspaper market last year by acquiring a 19 per cent stake in Southam, the country's biggest daily newspaper publisher. Hollinger does not equity-account its interest in Southam which suffered a third-quarter loss of C\$3.7m, but reported

progress in reducing labour

Sales fell hy 10 per cent gainst the first nine months and other costs. of last year. In September this Hollinger demonstrated its year, when anti-contraband confidence in Sontham's legislation came into force, future this month by announcsales fell by just over 1 per ing the sale of C\$100m of cent against September 1992. debentures with a redemption Tabacalera did not consolivalue pegged to the performance of Sontham's share date the food group Royal Brands, 50 per cent of which price. The debentures are due was sold to RJR Nabisco of the to be priced shortly. Hollinger said the amount of the issue

might be slightly raised. The Spanish group, which Mr Black said Hollinger was hopes Nabisco will buy Royal investigating acquisitions in the US. It made an abortive Brands outright next year, said it considered its remaining 50 attempt last year to buy the per cent stake in the food division to he a "short-term" floundering New York Daily investment :

### Reichmanns take a gamble on Mexico

Damian Fraser reports on deals planned by the Canadian brothers and George Soros

Reichmann brothers, the Canadian property developers who last week announced three big real estate investments in Mexico City, are convinced that Mexico is heading for an Asian-style economic boom. But some rival developers

are already saying they have arrived too late and the decision to invest in projects worth more than \$1hn, with US financier George Soros, resembles their ill-fated investment in London's Canary

The Canadian developers have been warmly welcomed by the Mexican government. which is anxious to turn the decaying capital city into a centre of services, with worldclass office space, hotels, and shopping malls.

The Reichmanns are attracted by a market that until recently has had few top quality buildings, and where developers obtain annual returns on their capital of around 30-40 per cent. Like other developers, they

expect Mexico's integration with the US (helped but not dependent upon the proposed North American Free Trade Agreement) and rapid economic growth to fuel demand for top class office space. The demand for more spece

and demand for international level of quality will grow rapidly," says Paul Soskolne, head of development for Reichmann International. "Top level quality does not exist in any building in Mexico. We can bring expertise to the market." However, some developers

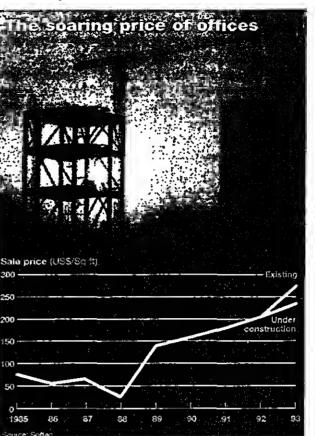
warn that the Reichmanns may have arrived too late for spectacular returns, and may he too optimistic about Mexico's economic prospects. They suggest that one of their projects bears a striking resemhlance to Canary Wharf, the development in Loodon's docklands that brought Olympia & York to bankruptcy.

in anticipation of an economic upturn that has yet to materialise, Mexico has seen a construction hoom for the past couple of years.

Softec, a leading property consultancy in Mexico City, calculates that the supply of top quality triple-A office space will more than double from 5.158m sq ft in 1993 to 11.545m by 1995. Vacancy rates have already increased from about 1 per cent in 1990 to 13 per cent now, and rents have started to

There is a huge over-supply of office space that will take a long time to ebsorb," says Mr Gene Towle, the head of Softec. There are a lot of projects that will find themselves without teoants." Part of the problem has been low growth. Mexico's economy is set to grow hy only 2 per cent this year, much less than originally

he Reichmenns will build a shopping, residential and office centre in an old part of town devas-tated by the 1985 earthquake known as Alameda; a 42-storey office tower in Mexico City's principal financial district, on Avenue Reforma: and a 20 acre commercial, office and residen-



tial village in Santa Fe, on the western outskirts of the city. Both the Alameda and Santa Fe projects are considered by many developers to be risky. Previous plans to develop Alameda have fallen foul of local residents' complaints. Mexico is changing government next

year, and without strong backing from the new Mayor of the city, the project could fail to ohtain the necessary momen-

Santa Fe - a brand new 1,600 acre commercial, office and residential zone of which the

about eight miles from the financial centre of the city.

As yet there are no reliable transport links connecting it to the city, and few restaurants

or other secondary services have been set up. Some developers say the project, like Canary Wharf, is too big and too far away from the centre to attract necessary

Mr Juan Enriquez Cabot, the city official in charge of Santa Fe, says infrastructure will come when the development reaches e critical mass.

nlike Capary Wharf. Santa Fe is just 10 mioutes drive from the most affluent residential zone of the City, making the site convenient for executives. Mr Reichmann said in a news conference in Mexico City that he will pre-sell offices and sites before starting construction, thus reducing the risk of being landed with unlet

The Reichmanns are looking for local partners to share the investment. Some capital may be raised by a new Reichmann Soros property fund.

The crucial and uncertain factor is demand for top quality space in the future.

If Mexico's economy fails to boom, then even the most optimistic developers admit the chances of all new buildings finding tenants is slight. The country's property sector would then resemble more the sluggish markets in the US and UK, and less the fast-growing bigh margin one the Reich-

# Canadian brothers still lured by big property deals

MR Paul Reichmann still occupies the same elegantly furnished corner office in Toronto's Exchange Tower from which he looked over Olympia & York until the world's higgest real estate developer collapsed in May 1992, writes Bernard Simon in Toronto.

As the announcement of three hig projects in Mexico City shows, the man hehind New York's World Financial Centre and London's Canary Wharf is determined to re-establish his reputation for eye-catching property deals. "He's really eager to get back by 1997

to where he was in 1987," says Mr

Andrew Sarios, a Toronto investment

manager who knows Mr Reichmann O&Y has been in the hands of credi-

tors since earlier this year. Only its US suhsidiary, in which the Reichmann family retains a 20 per cent stake, bas avoided bankruptcy protection procedure. The US unit is still trying to negotiate a deht restructuring plan with its lenders.

The Reichmanns are moving on. Mr

Paul Reichmann's nephew Philip and his son-in-law Mr Frank Hauer are huilding a new property management company, Olympia & York Properties. Mr Reichmann earlier this year set up

Reichmann international (RI), which combines his experience in large real estate projects with the financial resources and ecumen of Mr George Soros, the New York-based investor.

The two are partners in the Quantum Realty Fund, an investment fund set up last March. It recently paid \$634m for a package of commercial and residential properties owned hy Travelers Corp. the US insurance group. RI is a modestly sized company,

employing only a few dozen people. Besides Its Toronto base, it has offices in New York and Mexico City. Mr Relchmann's ambitions are mirrored in his new employees, several of whom had links with O&Y. Mr Leonard Chazen, head of the New York office and RI's co-chief executive, worked as a legal adviser to O&Y before becoming a partner in Tishman Speyer Properties, a large US property owner and manager Mr Reichmann has also re-hired Mr Ronald Soskolne, a South African-born architect who led the design team for Canary Wharf and New York's World Financial Centre. Mr Peter Anderson, finance specialist, spearheaded the abortive attempt by Canary Wharf to raise money through an Enterprise Zone unit trust.

4,400,000 Shares

### The Louisiana Land and Exploration Company

**Capital Stock** 

880.000 Shares

Dillon, Read & Co. Inc.

J.P. Morgan Securities Ltd.

Morgan Stanley International

PaineWebber International

Smith Barney Shearson Inc.

ABN AMRO Bank N.V.

Barclays de Zoete Wedd Limited

Credit Lyonnais Securities

**UBS** Limited

3.520.000 Shares

This portion of the offering was underwritten by the U.S. Underwriters

Dillon, Read & Co. Inc.

J.P. Morgan Securities Inc.

Morgan Stanley & Co.

PaineWebber Incorporated

Smith Barney Shearson Inc.

Salomon Brothers Inc

The Chicago Dearborn Company

Bear, Stearns & Co. Inc. Goldman, Sachs & Co. Lehman Brothers

UBS Securities Inc.

**CS First Boston** Howard, Weil, Labouisse, Friedrichs

Merrill Lynch & Co.

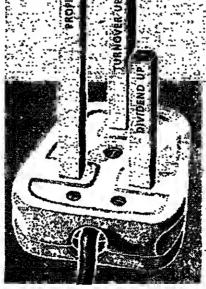
**NatWest Securities Limited** Prudential Securities Incorporated

A.G. Edwards & Sons, Inc. Alex. Brown & Sons Lazard Frères & Co. Kidder, Peabody & Co. Oppenheimer & Co., Inc.

Petrie Parkman & Co. Wertheim Schroder & Co.

> Pocket Financial Monitor call 0494 444415 QuoteLink from SPRINTEL

# **Positive** results from EVN.



heen supplying electric power, gas and heating for many years. Experience that

is quite literally paying dividends This year, despite the gloomy economic dimate. EVN recorded a growth in sales i all areas. With the result that turnover

RESULT FROM ORDINARY OPERATIONS

OVER CAUSTRIAN ASSOCIATION OF FINANCIAL ANALYSIS) PROPOSED TO THE ANNUAL GENERAL MEETING

FINANCIAL HIGHLIGHTS

OPERATING RESULT

EARNINGS PER SHARE\*

Stovakia and the Czech Republic The ideal location to plug in to the expanding Eastern

÷4.6

+12.4

+12.3

In short, not only does the present look good, the future looks even brighter. In fact we doubt that you'll find a company

position. Based outside Vienna, EVN is

LOW COST 081-944 0111 SHARE DEALING SERVICE

Forex or Futures prices from £49 per month For 30 second updates on your Windows PC Screen or By Philip Gawith in Johannesburg

IN its last report before unbundling, Barlow Rand, South Africa's largest industrial group, yesterday announced a 15 per cent decline in earnings per share to 367 cents in the year to September, from 432 cents last

While the results need to be seen against the background of e domestic economy in recession for four years, they provide further evidence of why the group bas decided to

Since 1989, when earnings peaked at 544 cents per share. they have declined steadily to their current level, 48 per cent lower. The 1993 dividend was maintained at 173 cents per share, virtually unchanged from 170 cents in 1989.

Turnover rose only 7 per cent in 1993 - the lowest increase in e decade - to R38bn (\$11.3bn) from R35.4bn. Although costs were well controlled, margins were under pressure and operating profit, before interest, fell 9 per cent

**NEWS DIGEST** 

S&P puts

Walt Disney

under review

STANDARD & Poor's, the US

rating agency, has placed Walt

Disney, the US entertainment

group which owns 49 per cent of the troubled EuroDisney-

land, on CreditWatch with neg-

ative implications, Disney's

\$1.2bn of long-term debt is cur-

rently rated AA., writes Tracy

Moody's, the other leading

US rating agency, put Disney's

debt under review for possible

downgrade last week, following

EuroDisneyland's announce-

ment of a FFr5.3hn loss in its

more extended period of nega-

tive cash flow and possible

pressures on Disney to provide

increased financial support to

EuroDisneyland in debt

restructuring negotiations with

S&P cited the potential for a

first year of operation.

its bank group.

Corrigan.

to R2.5bn from R2.7bn. After-tax profit fell 7 per cent to R1.6bn from R1.7bn, but the higher portion of earnings due to minorities caused attributable income to fall 14 per cent to R721m, from R839m.

Mr Warren Clewlow, chairman, said the recession had affected virtually all markets in which the group operates, with coal group Randcoal, and Finazauto, the Spanish caterpillar dealership, worst hit. Of the two companies now

split from Barlows, Reunert (electronics) and C.G. Smith (food, packaging and pharma-ceuticals and textiles), Reunert did well to increase attributable earnings by 17 per cent to R108m, while C.G. Smith increased earnings by 7 per cent to R443m.

Mr Clewlow said three factors had caused the R18m loss at Finazauto, the main drag on results: very poor trading conditions, restructuring, and high finance charges. Predicting an improvement, he said trading was unlikely to get worse, the restructuring had been com-pleted, and the reorganisation of J. Bibby, the parent com-

However, Disney's own

operations have continued to

perform in line with expecta-

tions, with "good momentum

in operating cash flow", S&P

depend on the final outcome of renegotiations with banks and

the degree of further business

and financial support Disney

may agree to provide. S&P

added that it does not expect the senior debt rating to fall

ISETAN, a leading Japanese

department store, saw sharp

falls in interim sales and earn-

ings due to continued weak

consumer confidence and the

unusually cool summer, writes

The company reported a 51.9

per cent plunge in non-consoli-

dated pre-tax profits for the

first balf to September to

Y654m (S6m) on a 5.9 per cent

fall in sales to Y200,5bn. After-

tax profits feli Y56.3 per cent to

We are pleased to announce that

E. LEE HENNESSEE has joined our firm as

SENIOR VICE PRESIDENT

REPUBLIC NEW YORK SECURITIES CORPORATION **452 FIFTH AVENUE** New York, New York 10018

(212) 525-8350

Member of the New York Stock Exchange, Inc. and other Phincipal Exchanges. Member SPC

Cool summer hits

Japanese store

Emiko Terazono.

Any change in rating will

to R90m, would remove, or considerably reduce, Finazauto's

Looking at the 1993 earnings in terms of the new structure. of the 364 cents (slightly lower than the actual figure because of an accounting adjustment) per share earnings, 120 cents would have been attributable to C.G. Smith, 57 cents to Reunert, 28 cents to Rand Mines, 8 cents to Rand Mines proper-

ties, and the balance, of 151 cents, to the "new" Barlows. Turnover at the new Barlows would have been R12.3bn, compared to R11.2bn, and attributable earnings R297m, against

Mr Clewlow said be believed group earnings were sustainable, and predicted "real growth" in the coming year. The group's longer term future is closely tied to the country's levels of infrastructure spend ing, currently at an unprecedented low. Mr Clewlow said: "A new government has got to look at infrastructure spending, otherwise it won't be here

bousehold goods sales declined

For the full year to March,

Isetan expects a 30.4 per cent

fall in non-consolidated pre-tax

profits to Y3.5bn on a 5.1 per

cent drop in sales to Y420bn

After-tax profits are projected to fall 51.9 per cent to Y1.7bn.

Thai refiner slips

6.3 per cent to Y15.8bn.

Y227m. Profits at large retailers have suffered as Japanese consumers are opting for cheaper goods available at discount retailers. All of Isetan's sales divisions saw falls in revenue. Sales of clothing, Isetan's mainstay, suffered e 6.8 per cent fall to Y92.1bn, while

stay computer and information equipment fell 12.6 per cent from a year earlier, while exports declined 7 per cent as the higher yen undermined overseas demand.

Power Corp up PADAENG Industry, the Thai

zinc refiner hit by weak metal prices, reported a fall in third senior holding company of quarter net profit to Bt38.6m financier Mr Paul Desmarais. (\$1.5m) from Bt174.1m last posted third-quarter net profit of C\$32.6m (US\$24.8m), or 25 year, with net profit for the first nine months down to cents a sbare, against Bt195.6m from Bt519.4m, writes C\$32.3m, or 24 cents, a year Victor Mallet. Padaeng bas ago, writes Robert Gibbens in announced plans to expand Montreal. Nine-month profit into Vietnam, Laos and Burma was C\$101.9m, or 79 cents, to supplement declining ore supplies from within Thailand. against C\$135m, or C\$1.03 a share,

# earnings fall 21% at

By Emiko Terazono in Tokyo

halfway

SONY Music Entertainment, the entertainment arm of Sony, the Japanese consumer electronics company, said earnings and sales fell for the first six months to September dne to the lack of Japanese hit records.

Pre-tax profits for the first half plunged 21.8 per cent to Y9.9bn (\$93m) on a 1.7 per cent fall in sales to Y49.9bn. After-tax profits declined 16.1 per cent to Y5.9bn.

For the full year to next March, the company is pessimistic over prospects for music hits, and projects a drop in profits and sales for the first time in 12 years. Unconsolidated pre-tax profits are expected to fall 21.6 per cent to Y17.6bn on a 6.5 per cent drop in sales to Y94.2bn.

Teac, a leading Japanes

andio equipment maker, fell into the red for the first six months to September due to the appreciation of the yen and prolonged economic

slump. The company saw a non-consolidated pre-tax loss of Y4hn, compared to a Y460m profit a year earlier. Sales fell 9.7 per cent to Y54bn, while it posted a loss of Y4.1bn on an after-tax level, against a profit of Y190m the previous year.

Teac said sales of its main-

For the full year to March, the company expects a pre-tax loss of Y6.3bn on a 12 per cent decline in sales to Y105bn.

POWER Corp of Canada, the

Sony Music | WMC in out-of-court settlement

ORD MINNETT and Western

Mining Corporation are paying A\$20m (US\$13m) to settle a The latest lawsuit centres on the Lady Bountiful gold mine court case in which it was near Broad Arrow, in Western Australia. In 1984, WMC alleged that a report by the acquired a half share in the Sydney-based stockbroker -Lady Bountiful project from a small exploration company stating that WMC's sale of a 50 per cent interest in the Lady Bountiful gold mine for A\$201m was "fair and reasoncalled Consolidated Exploration, and became the mine's operator. Three years later, WMC sold the stake back to Consex for A\$100m in cash and Although neither party admitted liability, the out-ofcourt settlement is the latest in 27m Consex shares - then

series of setbacks for WMC. worth about A\$101m. At the time, Consex directors Earlier this year, for example, the Melbourne-based mining commissioned an independent house was forced to relinquish. valuation report, for the beneits interest in the valueble fit of non-WMC shareholders. from Ord Minnett. This stated Ernest Henry copper/gold mine that the price of the WMC following litigation with Savage Resources. The Ernest Henry debacle also ended in a stake was fair and reasonable. However, production fore-casts for Lady Bountiful, settlement, and WMC took a

\$20m charge in its 1992-93 which were once put at 120,000 ounces of gold per year, were never met, and the mine was closed in 1991. Consex shares, which reached almost A\$6 in 1987, slumped to a few cents.

Consex itself underwent management changes, shifting its base from Melbourne to Perth, and the new regime began the legal action which alleged that the broker was negligent in preparing the valuation report and failed to exercise reasonable skill and care. Ord Minnett joined WMC in the action, and hearings began in the Victorian

Supreme Court last month. Under yesterday'e settlement, Ord Minnett and its insurers will pay A\$10m to Consex, while WMC will put up a similar amount. Ord Minnett said that the broking firm is fully indemnified for the cost of the settlement. WMC's shares in Consex - which now represent a stake of around 18 per cent - will also be cancelled. The mining house said that it has already written off this stake, although it has not previously provided for any

settlement costs. Yesterday, Mr Kevin Troy, Ord Minnett's chairman, said that there was a related law suit from a Consex shareholder, which was still outstanding. This, he said, was

being contested "vigorously".

Meanwhile, in Perth, Consex said that proceeds from the action would help the company continue in the gold exploration business.

Consex shares, which had been buoyed on hopes of a lucrative victory, eased 1% cents to 7 cents. Western Minmg added 9 cents to A\$5.85.

### Thai telecoms group in offering

able" - was negligent.

HNITED Communication Industry (Ucom) yesterday became the latest That telecommunications group to announce an initial public offering of its shares to help finance expansion in the fast-

Ucom, whose parent company is 25 per cent owned by Motorola of the US, said it planned to raise about \$120m hy offering 17m new shares to be traded on the Stock Exchange of Thailand in January. The new shares will account for 14 per cent of sold to foreign investors, Ucom executives said. S.G. Warburg is lead underwriter for the foreign tranche, and a roadshow to publicise the offering starts in Hong Kong next week before moving on to London, Edinburgh, Boston and New

Ucom supplies telecommunications equipment to Thai clients and operates wireless communications systems. The company said it would use the money raised to finance its. new digital cellular telephone concession and to develop its two-way radio business aimed

at such markets as airports, construction sites and tha police.

Pokphand subsidiary which has a concession to install 2m new telephone lines in Bangkok and owns 6.25 per cent of Ucom, recently announced plans to raise at least \$400m through its own partial public

Loxley, whose subsidiary Thai Telephone and Telecommunication is concessionaire for 1m new lines to be installed in the provinces, is also going public and intends to raise about \$50m by selling 22.5 per cent of its shares.

### Fairfax sees profit double in quarter

By Nikki Taft

JOHN FAIRFAX, Australian newspaper and media group in which Mr Conrad Black, the Canadian media mogui, holds a minority interest, yesterday announced that profits after tax and abnormal items more than doubled in the first quarter to end-September. The Australian group made A\$38.9m (US\$25.6m), compared with just A\$17.4m in the same

ABSTELL

period of 1992. This year's figures benefited from a A\$13.4m "abnormal" income tax gain, and also from lower interest charges, which ATIARm this time. However, earnings before interest and tax were also up by 12 per cent. at A\$49.5m, while operating revenues advanced by 7.6 per

cent, to A\$208.2m. In a brief statement, the company said that classified and display advertising vol-mes carried by The Sydney Morning Herald and by the Age in Melbourne, two of its flagship newspapers, had increased in line with improving trading conditions".

The increase in advertising volumes, together with rate and cover price increases, account for the increased reve nue. Fairfax added.

### Between 30 and 35 per cent of the shares issued will be

By Victor Mallet in Bangkok

growing Thai market.

Ucom's enlarged capital.

Sumitomo Realty tumbles 31%

By Robert Thomson in Tokyo

SUMITOMO Realty and

Development, the Tokyo-based property developer, suffered a 31.5 per cent fall in pre-tax profit to Y5.1bn (\$48m) for the first half, despite a 47 per cent increase in sales during the period.

The sales figure of Y190bn was boosted by sales of its land holdings, intended to reduce the company's debt and to assist in covering losses incurred by a finance subsidiary which is under reconstruc-

US S

Eight commercial buildings were completed during the period, and another 11 are scheduled to be finished in the second half, putting pressure on Sumitomo to find tenants in a weak property market. Sumitomo officials estimated

vesterday that the company's 147 buildings had a vacancy rate of 10 per cent, compared to 7 per cent in March. It sold 368 apartments in the first half, and hopes to sell more than double that figure during the second half

Demand for residential

years of decline, but the vacancy rate for commercial space is continuing to rise. In areas rapidly developed during the bubble years of the late 1980s, the vacancy rate is as high as 50 per cent.

recovered this year, after three

But developers which pur-chased land at the price peak in 1990 have been under pressure to complete projects to ensure a return on their initial investment, creating a continuing flow of building completions and increasing the pressure on commercial

### apartments in Tokyo has

FT GUIDE TO WORLD CURRENCIES

					JA 1004						g. roug						. Or rect	
Alghanistan Albania	(Alghani)	164.063	1538.91 110.148	909 323	1442.03	Germany	(Catast) (D-Marto	12,6778 2,5175	8.5114 1.690t	5.0358	7.986 1.5868	Paidates Parame	1	1,465	20:0005	17,7854 0,5918	28.2045 0.9382	
Algeria	(Lriv	35 7747	24,0179	\$5.1698 14.2104	72 5357	Cham	(Cad)	1085,42	715.868	423,600	671.761	Paper Short Bally		E-1673	0.995	0.5828	0.0242	
Andorra	(Fr Fr)	8.73	5.8744	3.4756	5.5118	Creates	(Sto E)	1,02 361,18	242,484	0.2872 143.468	0.8290 227.515	Paragrany Paru	The Do	2202	2,1703	1006.23	1689.27 2.0364	
	(Sp Passes)	204.50	137.29(	81,2313	178.619	Grand of	(Darlish Krone)	10.0475	8.7456 2.7036	3 892	8,3291	Philippines	-	42,2540	26,266	16.796	21.637.5	
Augusta Autoria	FICH KWATURD	9874.75	6629.57 2,7036	3822.44	8220.51 2.5367 0.938	Granada Granada	(E Carr S)	4.0271 8.75	2,7036 5,8744	1.5994	2.5907 5.5118	Pficulty is	(C States)	1.00	<b>2.5715</b>	0.3072	0,8200	
Arthgras Argundas	(E Carr S) (Pass)	1.48325	0.9997	0.5015	0.938	Gases	(Doetra)	1.4885 8.7547	1	0,5016	0.9362		923	2.7000	1.8563	1.0905	1.7436	
AUSTRIA.	(Planting	2,6898	1.7924	1,0804	1.681.7 1.4355	Gefren	(Choutzal)	1211.53	5.8776 813.38	3.4775 ·	763,100	Poland Foreign	(Ziong)	257.50	20500.1 172.07	12176.4	19309.6 182,705	
Austria	Schling	17.695	11,8796	7.0257	11.1464	Guirma Char	to Penn	7457,50	5006.71	2982.26	4557.54	Page Rice	LIE 20	1,4895	1	0.5915	0,0002	
Azures	(Part Escudo)	257.50	172.177	102.294	182.205	GUITE .	(EL) STORES	187.95	128.163	74,6573	118.394	Outs	- Mai	T-C294	3.6481	2.1686	142	ā
Baltery as	(Battanta 3)	1.4895 0.5625	0.3775	0.5018 0.2234	0.9382	Handung	(Gaude)	17.8900 10.5506	6.9863 6.9863	7.1094 4.1234	17,274 <b>3</b> 6,539	Recorder In. de la.	(FF)	1601.45	5,8744 1075,10	934756 938.127	5.5176 1000.78	ø
Balenic b	(Sq Presta)	204.50	137.294	<b>61.23</b> 13	128.819	Hong Kong	Porton	11.519	7,7334	4,5758	7.256	Shwande		216.00	145.418	86.0377	138.441	
Bergiariesh Berbedos	(Taka)	58,5807 2,9999	38.3156 2.014	23.2614	0.3543 120.819 30.6896 1.8897 33.8582	Harany		149.27	99.5434	58.8957	93.3064	St Christopher St Helene	E Car S	4.0271	2.7036	1,5996	2,5367	٠.
Balgium.	(Buto Si (Belg Pr)	53.75	36,0859	21,3505	33,6582	indiana india	(Columbic Krone) (Indian Report	108,08 45,7962	71.2185 31.4135	42,137 18,5868	86.822 28.4741	St Lucie	E Carr S	4.0271	2,703	0.3972 1.5096	0.8290 2.6367	
Beigh, er. Beilze Berin	STA FO	2.9830 437.50	293,723	173.764	1,879 276,591 0,9882	1000 magain	(Ruplet)	3083.55	2078.91	1228.82	1948.00	St Place St Vincent	(French Fr)	. 8.75	5.5744	3.4756	5.5118	•
Borosota	Electrodist Si	1.4890 48.7902	1	2.5915	0.9352	ings.	grand (Plant)	2514,25 0.48609	0.3128	1002.88	1590.00	Stin, Marian	(E Cary S)	2478.5	2,7006 1963.96	1,3986	2.6367 1581,26	
Bhutan Bollvás	(Bollylanus	48.7902 6.5561	31.4133 4.4008	15.5859 2.6036	4,1291	Iraq Irien Rep	Pund	1.0500	0.7100	0.4206	0.067	Stor, Marino Sao, Turno Swell Arabin	Dobse Filtradi (CFA Fr	357,96	246.322	142,789	225,483 3:5235	
Godymans.	(Pulso) (Cruzairo Real)	3,7883	2,5299	1,496t 118,708	2.3747	Raty	(Links)	4.3635 2478.5	2.9429 1663.96	1,7412	2,7612 1561.28	Santai	CAR	5.5837 437,50	3.7564 283.723	2.2218 173.784	3:5236 275,591	
Brazil Brunel	(Cruzairo Real) (Brunal S)	297.84	199.95	118,308	187.515	Jamaica	(Jamelone &)	41,0163	Z7.5388	16,2924	25.837	Septimbes	Leone	7.7200	5.1369	3,0000	4.0007	
Buttonia Buridno Fess	LEVI	2.3780 39.60	2,5299 194,95 1,5951 26,5881 293,723	15.7296 173.764 3.7636	1,4968 24,9448 275,591 5,9895	Japan Jordan	(Yer)	158.75	108.579	B3.0588	100	Marra Leone Stockhore	140	2.3700	550,770 1,5951	325.849	516,74	
Buriáno Feso Burias	(CFA Fr)	437.50 9.4750	293,723	173,784	275.501		(Jordanian Diese)	1.0411	0.8980	0.4135	0.8658	Stoveres	(Konsos	48,800	32.6619	0.9437	1,4986 30,8458	
Burand	(Burundi Fr)	387.0	8.3611 262.504	155.313	246,290	Kenye Kenye	(Kusya Shring) (Australian S)	2.2790	<b>1.53</b>	0.9052	64,8062	Salamen la	-	19445 4,7440	723.834 3.1849	73.2671	116.100	
Cambodia	2560	5231.25	3504.7	2073 RR	1788 75	Korse Horst	(Mari)	3.2067	2.1526	1,2737	1,4356 2,0199	Somell Rep	Service.	3007.75	2623.53	1.8844	2461.57	
Cameroort	(CFA Fr)	5230.25 437.58 1.9710	204 775	2073.88 173.764	3288.35 275.901	Kurne Scott	(Work)	0.4445	\$07.86g	477,982	767,897	Souts Atrice	(Flend)	6.0105c	3,3636	1,9902	3.1562	
Caneda Canery %	(Canadian S)	THA 50	1,7232 157 294 74,2998 6,85 (1 293,725 293,723 4 (3,254	0.7829	1,3418	Lace	Offere Kind	1073.88	720.957	0.1765 426.508	0.26 676.46	Contra	- Country	8.5230g	4,3783	2.501	4,1080	
Co. Verde	(CY Escudo)	110.8693	74,2898	43.96	88.7129	Labra	0.00	0.8980	0.6026	0.3967	0.0006	Spein Specials Ports in	Constant	204.50	137.294	61.2313	1201119	
Carymen to Card.Atr. Rep	(C S)	110,6693 1,2678 437,50	201725	81,2313 43,96 0,5035 173,764	0.7896	Labration	(Liberton 1) (Metal) (Liberton 1)	2563,15 5.0105	1720.61 3.3638	1616.13	1614.58	N Africa Sri Lacina	(Sp Preside	204.50	137,294	81.2313	125.819	
Crad Crafe	(CHA Pr)	437.50	291.723	173.774	275.501	Liberia	(Liberian S)	1,4895 0.4477	3.0048	1.9902 0.5916	11002	Suder Rep	Cons	73,060	49.0493 13.0174	29,0204	40,0214	
China China	(Children Part) Florithinki Yuma	437.50 815.5421 8.6356	8.7975	244,525 3,4901 480,518	307,743	Librer Lincolnin	C. Dreit (Kaer)		0.3005	11777	0.282	Syrinem	(District of the control of the cont	2 8823	1.7873	7.7018	12.2130	
Colombia	(Cal Peso)	1209.70	812.152	480.518	275.581 275.591 367.745 6.4396 762.018	Litaurie	(Swige Fr)	5.8765	1.4904 3.9452 38.0868	0.8616 2.3342 21.3808	3,7017	Sweden . Sweden .	(Transpool)	6.0105 12.2075	1.7873 3.3638 8.1967	1.0675 1.9902	3 1102	
CE \$	(Houble)	0.06000	0.5773	0.5415	0.5417	fractions	(Link Fr)	53.75		21,2606	21.1532	Switzerland '	F1)	2.22	1.4904	4.849 0.9818 12.4415	7 (8807 1,3004 16.73	"
Саппатон	ICFA Fr)	1782 944	1197.01	708.218	1123.11	Maries	Pagent	11.9088	7.9896 1867.55	1122.7	7,0002		(2)	31.3216	21,0281	124418	19.73	•
Congo (Br	Colors (Colors (CFA Fr)	437.50 437.50 231.80	283.723 283.723 144.909 293.723	173,784	275,591 275,591 134,717	Macingsoca' Macings Mades Matroda Macing Is	(Park Secretar	2825,40 257,50	172.877	102.284	1780,41	Totale Testado Testado		40.05	28,8662	15.9088	26.2363 417,166	
Costa Pica Cos d'Arains	(Colors	437.50	148.909	173,784	134.757	Marrie	1	8.6133	7.5601	2,5200	4,1906	Togo Rep	CFA F	\$7.175	444.812 24.909 283.723	14.7005	23,4173	
Croatin	(miners)	93AI 15	6254.09 G.7684	3718.03	275,591 6896,18 6.7116	Maiding le	700	3,797 17,8807 437,50 0,5844 8,75 196,79	4.4829 2.5481 11.981 283.725 0.3823	1,5082 7,0948 173,784 0,3821	11.2506	Tringe is Trinkind/Tobago	Fin Angel	437.50 2.2790	1.53	2552,059 14,7665 173,784 0,9052	1,4365	•
Cube Cyprus	(Cyprus E)	1.1297 0.7831 43.879	0.7684	0.4487	0.7115		Charles Line	0.5644	293,725	173,784	275.501	District Londo	-	1,5310	5.5274	32103	5,1302	
Czech Plep.	ROTURE	43.570	25.4528	0.3031 17,425 3.991	0.4805 27.6848 6.3291 184.724	Media Martinique	(Margine Line)	8,75	5.8744	3.4796	0.3881 5.6118	Turbay	(Disar) (Jisa) (Jisa)	20245.1	1,0278	0:6061 8041.75	5.1302 CLR644 12752.6 6.6302 1,4366	
Centrark Dibout Roo	(Danish Krone) (Data Fr	10.0475 261.50	25.4529 6.7455 175.562 2.7036 12.5168	3.991	8.329T	Macritonia Macriton	Marie Strategies	27.2139	112.964 18.2704	10.8098	108.929 17.1426	Turius & Calcae Turestr 0	(US 3)	1,4805 2,2780	1	6.9916 9.9052	0.0245	٠
Doro Irrica	E Carrie S	4.0271	2.7036	108.873 1.5896 7.4050	2.5387 11.7441	Marithus Marico Maritan	SAEdcas Fund	27.2139 4.7935	2.2181	1.904	3.0196			1715.25	1,53		1,4366	
Dominican Re	4-1-1-1				11.7441	Marinage	Grand Po	8.75 8.75	5.8744	3,4750	\$.0196 5.5118 6.5116	Oleann . 0	Carbonnesto (Dirinari)	46174.0	7151.55 30000,7	18341.2	1000.47	
Soundor	(Sucre)	2921.26c 2953.171	1980.63 1982.86	1160.02 1173.08	1899.8 1860.26	Mongatie		500,00	400 577	235,961	376-811	United Mandom Onlind States	(Continued)	8.4785. 1.00	3.6767	21767	3.4407	
Egypt El Salvedor	(Egyptian 1)		3.2767		3.1682	Montegret	CE CAP C	590,60 4,8271 14,2517 7481,40	2.7036 9.5061 5028.47	1.8996 5.661	2.8387 L9774	United States Unigery Pay	(18.8)	1.4865 9.4607	1	0.5072 0.5016 2.6625	2,4407 0,4200 0,5300 4,0004	1
El Salvador Eguar'i Quince	(Color)	5.0296 12.9910 437.50	4.7217	1.1002	6.1633	Mozurabique	Medical			2975.73	4716.90	Veneta	(hate)	182.20	4.2307			•
Estanta	DCDDG.	18.85	281,725 13,3837	1.9978 8.1602 173.784 7.9245	3.1682 6.1633 275,591 12.5650	Harabis Hara is	(Australian S)	5.0106 2.2790	3.5638	1.9802	3.1852	Valleyer	(Vene	2478.5	122,994 - 1063,96	72,7706	145,402	
Ethiopia .	(Ethiopian Sint)	7.3531	4,9388	2.9207	4,8318	Hepd Hetheriands	Piepalaee Ruper	69.3410	40.5538	27.5430	1,4565	Vision	(Contract)	181.01	101.967	984.508 90.5416	156.8873	
alktend is	F# 5	1,00	0.6713	0.3972	8.3201	I Wast Addition	14 2 44	2.8275 2.5698 2.7680 8.8247	1,5982	1.1231	1.7811	Visinam Virgin is-British Virgin is-US	00mg	18001.1 1.4005 1.4005	10004,5	1011717	10107,6	
Feron to Fill to	(Danish Kroner) (P# 5)	2.3074	8.7455	1.991	8.3201 1.4574	Now Zaplex	(Sold Cordobal	2.7680	1.8383	1.0904 1.0908 3.7039	1,8817	Western Stance	(15.5)		· i	\$192.0 \$192.0	10107,6 0.0002 0.0002	
Pirkand France	Olundar	27615	1.5401 5.5485 6.5744	3.4908	8.4876	Higgs Pap	(Gold Cordobal (CFA Pr)	6.2247 637 FO	6.2502 283.723	3.7039 173,764				24.0000	2.001	1.5700	2,4404	•
r. CW/Affca	ICFA Fri	437.50	283.723	3,4706 173,784 3,4766	1.4534 8.4576 8.5116 276.591	No.	(Make)	32.850	21,9201	12.9802 20.7358	20.5560 32.6534	Yemen (New or) Yemen (New or)	(Mar) (Chrus) (Nove Direct)	0.6074	18.5221	9.7754	18,0002	
r. Guiern fr. Pacific is	(Local Pr) (CP Pr)	6.75	3.8744	3.4788	8.5110	Harvey	Dicz. Kruns)	437.50 32.650 52.2025a 10.9325	35.0489 7,3367	20.7358 4.5426	32.6834 5.8666	Zalra Rep	(Maria Salan)	1042850.0(1)	700000	414161	0,438	
Dabon	IGFA FO	157.50 437.50	105,74	82.582 171.764	95.2125 275.591	Genera	(File) Ormanio	0.5742	0.3854	0.528		Zambie	(Contrales)	5.52	2.7000	2,1026 219,002	LOT	*
	.=		F0000 F5	11 84 84				0.014E	n~2004	0.27	0.5617	Zorbeinne	60	501.54	370.266	219.002	347.427	σ.

### **CONTRACTS & TENDERS**

### ÇUKUROVA ELEKTRİK A.Ş.

PREQUALIFICATION ANNOUNCEMENT FOR THE **CONVERSION OF THE MERSIN TPP** TO COMBINED CYCLE SYSTEM PROJECT

CUKUROVA ELEKTRIK A.S., (CEAS) Intends to prequalify contractors for the following turn-key project to be financed by a supplier's or a foreign currency credit:

Repowering and renovation of the existing 4x25 MW capacity Mersin TPP by adding two dual fuel (fuel-oil No.6 and NG) fired gas turbo-generator units and two waste heat recovery boiler (WHRB) units which will replace the existing 4, fuel-oil No.6 fired boiler units. Repowering will increase the installed capacity of the power plant from 100 MW to about 350-450 MW.

2. Interested firms may obtain further information and acquire the prequalification documents from the below address:

> CUKUROVA ELEKTRIK A.S. SEYHAN BARAJ, PK 239

(322)-235 06 81 (4 lines) (322)-235 02 57

01322 ADANA-TÜRKIYE 3. The prequalification documents must be duly completed and delivered to the above given address on or before December 20, 1993. Documents which are received late will be

rejected and returned unopened. 4. applicants will be informed in due course, of the result of their application. Only firms and joint ventures prequalified under this procedure will be invited to tender.

GENERAL MANAGEMENT



# Fly JAL and double your mileage credits.

From 1st September to 30th November 1990. Confide indexpression dec on all international IAC flights. Call your necessity IAC office for details

51

Va

(60

D

(32

# Output figures keep Treasuries on downward trend

Nov 15 Nov 12 Nov 11 Nov 10 Nov 8

Biort Sans, (BR) 103,07 102,74 102,82 102,58 102,81 94,01 103,60 |
Phind Informat 123,54 123,35 123,32 123,28 123,12 118,00 125,20

FT FIXED INTEREST INDICES

GILT EDGED ACTIVITY

in New York and Sara Webb

LONGER-dated US Treasury securities opened the week in negative territory yesterday morning following strong industrial production data

By midday, the benchmark 30-year government bond was down 1/2 at 100 H, yielding 6.182 per cent. At the short end of the market, the two-year note was unchanged at 9917, to yield

### GOVERNMENT BONDS

Prices at the long end of the bond market fluctuated in early trading but turned decisively lower mid-morning when it became clear that there would be no follow-through from initial dealer buying. Sentiment was not helped by the news that indus-trial output climbed by 0.8 per

cent in October. The data was the latest set of statistics to show resurgent economic growth, and analysts said that the 0.9 per cent rise in manufacturing output was particularly noteworthy. said speculation of a 5 to 10

The figures ensured that the recent trend in bond prices -declining amid concern that an improving economy will even-tually reignite inflation — was maintained.

■ GERMAN government bonds rallied following the announcement of yet more gloomy news on the economic nt. Bunds were further supported by expectations that the Bundesbank will lower interest rates at today's repo.

The government's independent council of economic advisers, known as the Five Wise Men, forecast zero growth in 1994 for west Germany and a further increase in unemployment in their annual report, released yesterday morning, which provided a good bid for the Bund market early in the trading session.

News that western German wholesale prices fell 0.2 per cent in October and were down 0.6 per cent from a year earlier also supported Bund prices. The market's attention is likely to be focused on the Bundesbank's repo, with many bank's repo, with many dealers predicting that the rate will be cut by between 5 and 10 basis points. Last week, the lowest rate on the 14-day facility was 6.38 per cent. Mr Julian Jessop, economist at Midland Global Markets,

E activity indices rebased 1974 soft and that the repo rate would have to come down accordingly" but he thought a 2 basis point cut more likely.

Bund futures rallied from Fri-

day's close of 99.78 to a high of

100.03, before slipping back to

99.84 by late afternoon. ■ THE DANISH central bank cut key interest rates by 25 basis points but the move came late in the trading session and had little initial impact on the market. However, traders expect the cut to help lift prices when the market opens

■ RUMOURS of a poor auction result pushed Italian govern-ment bonds sharply lower yesterday afternoon, although when the final auction details were released later on, the rumours turned out to be

The sale of L1,500bn of 10year paper eventually came through in line with expects tions, with the net yield falling to 7.94 per cent from 7.99 per cent at the previous auction.

■ UK gilts opened on a firm note, taking their cue from other international govern-ment bond markets, but fell back after yesterday's US economic data. Dealers said that the market is waiting for the release of the UK PSBR figures today and the October retail price index tomorrow for direc-

The Liffe long gilt future rose from Friday's close of 114.22 to a high of 114.30 but traded at 114.24 by late after-

■ JAPANESE government bonds opened sharply higher on the back of Friday's rally in

		Coupon	Red Date	Price	Change	Yleid	Week	Monti
AUS1RALIA		9.500	06/03	119.7952	-0.251	5.70	8.65	6.5
BELGUM		9.000	03/03	113,9000	+0.300	6.93	7.03	7.1
CANADA .		7.500	12/03	105.2500	+0.250	6,77	5.85	8.7
DENMARK		B.000	05/03	111.1000	+0.300	6.39	6.40	5.4
FRANCE	BTAN	5.750 6.750	11/98	101.5218 105.2400	+0.042	5.39 8.03	5.48 8.13	5.4 5.9
GERMANY		6.000	09/03	101.0350	+0.035	5.88	5.91	5.8
TTALY		10.000	08/03	104.8800	-0.165	8.44†	8.54	8.8
JAPAN	No 118 No 157	4.500 4.500	06/99	109 D446 108-5335	-0.189 -0.383	2.92 3.50	2.88 3.51	3.2 3.8
NETHERLAN	മട	7.000	02/03	108,3300	+0.190	5.80	5.89	5.8
SPAIN		10.900	08/03	114.7000	+0.400	B.50	8.89	8.5
UK GILTS		7.250 8.000 9.000	03/98 06/03 10/06	104-11 108-15 117-06	-02/32 -01/62	8.10 6.78 7.11	8.15 6.91 7.25	8.13 6.8 7.17
US TREASU	RK.	5.750 8.250	05/03	100-17	+04/32 +02/32	6.68 6.18	5.71 6.24	5.25 5.85
ECU (Franch Gov)		8.000	04/03	111-0000	+0.400	6.41	6.55	8.3

the US Treasury bond market and the yea's strength, but drifted lower during the course of the day as domestic players took profits.

Although usually a boosting factor in the government debt market, yesterday's tumble in the Tokyo stock market - a 418.94 point fall to 18,074.61 was largely shrugged off by the bond market.

Interest rates on three-month certificates of deposit remained low, trading at 3.32 per cent, while the call rate edged up to

3% per cent, which dealers said reflected the fact that this was the end of the reserve period for the Bank of Jepan.

Expectations in the markets are high that the prime minister will propose income tax cuts of between Y5,000bn and Y6,000bn later this week, to be financed by short-term bridging bonds.

The March futures contract, which opened at 114.39 after Friday's close of 114.19, fell to a low of 114.12 and ended Tokyo trading at 114.15.

### VW taps Yankee sector for \$250m

By David Waller In Frankfurt

VOLKSWAGEN, Europe's largest manufacturer of motor vehicles, has become the first German company to access the US corporate bond market. The move reflects German

companies' growing desire to gain access to the US capital markets, the largest in the world. It follows Daimler-Benz's recent decision to seek a full listing for its shares on the New York Stock Exchange and the store group Kaufhof's move to establish a sponsored American depositary receipt

programme in the US. Volkswagen sold e total of \$250m of "Yankee" debt securities last week via a twotranche rule 144a bond offering. Such an offering allows a company to sell securities to large US investment institutions without being obliged to comply with the Securities & Exchange Commission's full

listing requirements.

Mr Rutbert Reisch, VW's group treasurer said: "A full

listing would require disclosures which we are not willing to make."

Daimler's decision to seek a full listing required it to pub-lish its accounts under US Generally Accepted Accounting Principles. This move towards greater disclosure irritated other German companies. which were displeased that Daimler had reached unilateral agreement with the SEC on the

the terms of a listing. "It is not the disclosure [of our profit and loss account] which bothers us," said Mr Reisch at VW yesterday. "It is the hidden reserves. Say we get into a price war with the Japanese later in the decade: I don't want them to know just how far we can go. It is not worth a listing."

ol,

lia-his

ion

our

t of

the

vith

nt's

1ent

tsin

s' a. a we K. as the

nce UK • to ose US

iog the aly ink 1Dy.

Despite the publicity sur-rounding Daimler's listing, the group has not yet raised any cash directly from the US market. Deutsche Bank, 28 per cent sharebolder in Daimler, will be placing a 3 per cent stake worth DM1bn in the US market early next year.

### Austria 30-year deal further widens German maturity range

basis point cut was fuelled by "the fact that call money is

By Antonia Sharpe

THE Republic of Austria further extended the maturity profile of the German bond market yesterday when it raised DM1.5bn through an issue of 30-year Eurobonds. Austria's 30-year issue is

part of a process which was started in August by LKB. Baden-Württemberg Finance when it launched the first offering of 15-year bonds in the D-Mark sector. The issue raised DMIbn but was increased by DM500m shortly afterwards tosatisfy investor demand. Syndicate managers said

that Austria's offering was well received by the market, which raised hopes that the German government and other highly-rated horrowers would follow suit.

CH CT., ST.

Elec de Frence 9 95

Elec de Frence 9 92

French Elec de Frence 9 92

French Elec Central 99

Elec Elec Elec Elec

Elec Elec Elec

Elec Elec

Elec Elec

Elec Elec

Elec Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

Elec

:: : ::

In 1986, Germany's low inflation rate prompted its government to issue two DM1bn offerings of 30-year bonds. However, they became illiquid as changed market conditions dissuaded the government from

### INTERNATIONAL BONDS

Due to the lack of benchmark German government bonds beyond 10 years, yield soreads in the Dutch government bond market are used in the pricing of long-dated D-Mark Eurobonds. Lead manager Deutsche Bank said 30-year Dutch gov-ernment bonds were yielding

FT/ISMA INTERNATIONAL BOND SERVICE

Ached 7½ 95 UF Gentlamata Lux 5½ 90 UF Montaina Lux 64 UF Lux 64 U

107/2 177/2 108/2 0652 10753 11754 11754 11754 11754 11754 11754 11754 11754 11755 1

| Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest | Interest

1153, 103 1143, 1173, 115 1043, 110

10772 1053, 11653, 1073; 10612 1173; 10612 1173; 10612 1173; 10612 1173; 10612

1.60 2.42 1.63 2.70 1.36 2.74 2.51 2.51 2.50 3.65

11 1111T

issuing more 30-year bonds.

D-Mark Eurobonds were yielding 8 to 10 basis points more than German government Therefore, Austria's 30-year Eurobonds will be priced today

to yield 65 to 68 basis points over the German government's 6 per cent bond due 2003. Istituto Nacional de Industria, Spain's state industrial holding company, will launch its well-flagged \$500m offering of five-year Eurobonds today. The bonds are likely to be

priced to yield 87-40 basis points over US Treasuries. Cable & Wireless is expected to raise \$400m early next week through an issue of 10-year Eurobonds. The issuer is well-known among investors 56 to 59 basis points more than and although unrated, it is perceived as being double-A risk. 10-year Dutch government

99.45 99.45 99.45 99.52 99.54 100.00 99.54 99.54 99.54 99.54 99.54 99.54 99.54 99.54 99.54 99.54 99.54 99.55 100.00 90.00

Carr.
price
521,
535
50.67
1.05375
19.1
6.72
2.5675
19.1
6.72
2.563
3.907
1.776
3006.8

956-7 100.05 99.95 99.95 100.35 100.05 100.05 100.00 98.85 100.04 88.85 100.04 89.85 100.04 89.85 100.04 89.85 100.04 89.85 100.04 89.85 100.04 89.85 100.05 100.06 89.85 100.06 80.06

6.1875 6.4375 7.5489 6.7673 7.5489 6.2000 6.1873 8.5073 8.5073 3.5000 5.4407 3.5750 3.4407 3.5750 3.4750 3.2750 3.2812

### **NEW INTERNATIONAL BOND ISSUES**

Borrower US DOLLARS	Amount	Goupon %	Price	Maturity	Fees %	Spread bp	Book runner
New World Dev.tabs	300	4.3754	100.00	Dec.2000			Morgan Stanley Intl.
Stara V(e)	90	(=)	R1 00.00	Nov, 1998	(6)		Kidder Peebody Intl.
Vencemos(g)*	70	9.25#	R1 00.00	Nov.1996	(g)		Chase Inv. Bank
D-MARIES Rep. of Austria(h) Wusetenrot Finance	1.5bn 500	(b) 6.75	(b) R100.30	Jan.2024 Jan.1999	:	+59 (5% % 98)	Deutsche Bank CSFB-Effectenbank
YEN Manho hwei Fin.(Cay.)(e);	1 <b>.8</b> bn	(c)	101.875	Aug.2000	1.5	_	Sanwa Intl.
SWESS FRANCS							
Canton of Gallen(d) o	270	2.75	100.00	Jen.2006	•	-	UBS
Basque Country	200	4.375	100,75	Dec.2003			UBS

resident and non-resident consists assets, and yield apress lover resivent government pond; at earth is supplied by the lead menager, Arytwise placement. Sconvertion, third equity warrants, 1:Footing rate note. 46emi-annual coupon. R: fixed re-offer price; fees are shown at the re-offer level, a) Conversion price; HCS35.16. Fix 7.724-HrS\$. Catable at 104.25% in year 1; 103.40% in year 2 and 102.55% in year 3, b) leaves to be priced 16.11.93, c) Short first coupon. Coupon pays fixed 3.5% between 22.11.93 & 222.83 then 30bp + 6-month Yen Libor thereafter, d) Exerciselyis into bears shared in CS Holding, e) Issue of mortgage-backed structured and exercise pays fixed the payon of the payon

However, the yield spread on the bonds will also reflect C&W's exposure to Hong Kong. China Textile Machinery is due to launch a SFr35m fiveyear convertible bond offering today, the first by a Chinese company listed in mainland

China Textile, which is 50

per cent state-owned, is listed in Shanghai. The bonds, which carry a three-year put option, will be convertible into China Textile's B shares. They are likely to have a conversion premium of between 5 and 10 per cent and a coupon of between 1 and 2 per cent. If the put

Alliad-Ljorn (\*SS1 ) Any() (\*283 ) ASDA (\*S1 )

("351 ) British Stand ("122 ) British ("467 )

will yield around 4 per cent. • Hanson plc has launched two commercial paper programmes, one for \$2bn in the European market and the other for A\$400m. Drawings under the Australian programme will reduce the amount available under the European programme.

330 30 38 42½ 3 380 12½ 18½ 28 120 10 14 18 130 8 9½ 13½ 13 480 19½ 27 34 2 800 2 4 8½ 1

### Swaps market may be bigger than estimated

By Tracy Corrigan

THE SWAPS market may be substantially larger than is generally recognised, according to a survey of the world's leading derivatives dealers by Swaps Monitor, a New York-based publication.

The survey says the size of the market stood at more than \$7,000bn at the end of 1992. substantially higher than the widely-quoted estimate of \$4,500bn given by the Interna-tional Swaps and Derivatives Association (ISDA), the industry's trade group.

The Swaps Monitor survey took the ISDA figure as a base and added the volume of swaps by non-ISDA members and by ISDA members who did not participate in the survey. The total is made up of \$6,000bn in interest rate swaps and \$1.100bn in currency swaps.

Based on these figures, the capital requirement under BIS rules for the world's commercial banks is estimated at \$4bn for interest rate swaps and

\$3bn for currency swaps.

The survey also used company results to rank the amount of swaps outstanding on financial institutions' balance sheets (although variations in accounting standards mean that banks from some countries, such as Japan, may

be under-represented). According to the survey, JP Morgan has the highest level of outstanding swaps, at over \$450bn, followed by Paribas and Chemical. Of the top 10 dealers, seven are American and three French.

Barclays, the largest UK par-ticipant in the swaps market, comes eighth in the table for interest rate swaps with

The 10 largest dealers in interest rate swaps account for 49 per cent of the total while the 10 largest currency swap dealers account for 40 per cent,

### MARKET STATISTICS

### RISES AND FALLS YESTERDAY

Corre	nerch	L Indu	strial.				216
1101	chai &	Prope	rty				159
					<del></del>		16
							0
							15
Other	<b></b>						31
7	Totals						496
		•	1	ON	ON RECENT	155	UE
EQ	ж	ES					
legar	ATTIX	Latest Named	15	63	Stock	Cloubs	-
Price		Date	High	Low.	-	Price	١.
***			-	410	-		₽
\$140	1	{ :	165	140	Abacus	152	1
-		] [	- 50	1 0	On Placencia	그 %	1
170	FF	l -	196	178	Alden	181	ı
170	F.P.	1 -	178	1005年100日	1854	160	녆
138 \$460 125	50 F.F.		475	51	629 Endomment Frent	- 51	1-7
\$400	155	J -	175	40	Contain Promotoculicate	435	١.,
118	12	<b>i</b> :	110	122	Cantra Stary	14772	ŀ?'
158	100	! =	114	189	Concised Treat	118	r
	F.P.	١.	30	10	Cont trees.	140-	ı
-	F.F.	l -	142	135	Crest Packaging  Bella: Lioyds lav. Tet  Firebury Undersetting  Fleening Chicago lav Let	185 85 107	١.
138	FP	:	102	105	Deltar Lityth Int. Tot		<b>]-</b> 1
158	1.	i :	1111	105	PAREDRY Understand	107	1
130	F.P.	J -	-	7	Do. Warrents	981 <sub>2</sub>	
		:	i iis	53	For 8 Col Roser Mics Wis .	7 5	1
_	l řř	{ - ∣	131	E 103	Gertrern Shand East/	104	ļи
-	FP.		1041	1004	Do. Zaro Dk. Pt.	1024	1
150 158		l -	102	100	HCG Unjer tox. Tal	8917	J-1,
156	F.F.	] -	1 05	87	HTM Japanese Scooler	1 837	-2
	11.	:	34	102	Co Warratta	107	1-1
138	172	1 :	111	102	Log. Pa. S. Inc. Wife.	107	ŝ
§138	1	1 :	15	127	Periode Labora	7 7	[ <b>"</b>
2190	162	=	13	3152	Portation Luisary	178	ı
270	l iii	1 -	253	241	Roter	346	l,1
9290 135	S F.P.		488	299	Seedia	246 300 147	1
135	F.P.	۱ -	141	141	Screen Care law feet C	122	L
\$138	17.	1 -	198	191	Towy Law	100	13
-		-	335	3112	Ventore Longy Vis	-I 212	ı¬

20 27 220 22 42 135 07 45 403 27 17 351 22 44 120 25 40 215 21 24 174 138 138 138 138 138 138 230 5290 135 5139 5170 Owen Luyes Mr. St.
Firebary Underworking
Fleening Chicago for UR.
Do. Warrents
For B Col Sour Allos Ws.
Servicens "Shared Scope"
Do. Bare Dic. Pt.
HTR Jupaneous Souther
Do Worstatts
HTR Jupaneous Souther
Do Worstatts
HTR Jupaneous Souther
Do Worstatts
Phrose Soled Ins.
Los. Ph. S br. Whyte.
Phrose Lose Ind.

RIGHTS OFFERS Itesus Price P Armouni Pald up Closing Price P 37pm 5pm 4pm 4pm 12pm 12pm 12pm 3pm 3pm 3pm 20pm 20pm 27/12 14/12 13/12 23/12 23/12 24/11 10/12 27/11 25/16 14/1 46pm 14pm 8pm 14pm 14pm 14pm 14pm 47pm 47pm

TRADITIONAL OPTIONS Bibby (J), BTR Wts, Charles Sidney, Cluff Rea., Crockfords, Hanson Wts., Kewill Systems, Ladbroks, MR Dats, Medevs, Orifiams, Pacer Systems, Raine Eng. Puts e Calis: Aliders, BT Pt.Pd., Lloyds Bank, Morrison (Wm.). First Dealings Nov. 8
 Last Dealings Nov. 19
 Last Declarations Feb. 10
 For settlement Feb. 21
 3-month cell rate Indications are shown in Saturday editions.
 Calls: Aegis, Avesco, Betterwere,

_			_
_	LIFFE	EQUITY OPTION	5
4	Option	CALLS PUTS Now Feb May May Feb May	Optio

We the 'to	Chace	PROF	100	_	NO.		7	Upinos		UAC	. 100	311	Digit.	
25 30 42	BTR	330 2572	331/2	3612	1	- 5	1012	Lowning	120	12	17/2	30	_4	
60 63 744	("353")	360 512	15	1612	612	17	24	(*127 )	136		1242	1512	812	14
14 18 25%	Brit Talecom	460 812	18	26	412	18	22		-		-	241.		
712 3012 3712	(*463 )	500 1	012	12	3672	47	4812	Mail Power		10-2	arz	3612	241-	1
312 8 8	Carthury Sch		3412				1912	(.369.)	420			212		
DI <sub>2</sub> 12 151 <sub>2</sub>	(471)		15					Soot Power				30		
15 IF 19-E	(4,			10-2	***	•	-	(394)	420 110			1612		
								Sees	120			1812		
6 15 18	Castern Sec							(TI18)	140	•	97	10.5	3.5	
72 22 312	(1979 )		15					Forte	220	161-	2512	2812		10
14 2312 2012	Guirnes	420 15	301z	372	4	1572	25	(230)	240	512	15%	1612	14%	
0 39 45%	(*428 )	480 112	1212	18	38	3812	48	Tarmac	120	12	17%	1912	312	71
11/2 18/2 27/2	CEC	330 8	187	2617	210	124	1542	(*133.)	135			15		
O2 40 84	(*336 )		7					Thom EM	900		62 -			
	•		-					(*927 )	950			3812		
512 1012 1312	Hanson	280 17	215	24	,			TSB	200	22	25%	26	2	61
18 23 27	(275)	200 612					19	(*218 )				18		
7 1012 13	Laureo		1412					Tomtine				31		
512 1612 1812	(*130 )	140 11/2				17		("238 )		812	15	1912		
12 28 3412	Lacas Inda	160 1612				620		Vand Poorts		812			ä	٠.
101 101 103	(175)		115				18			412		-	14%	
	(110)	130 2	11.2	13		10-5	10	Wellcome		57			21	
812 22 2912								(*682 )	700			558		
26 35 4212	P & 8	500 40	5512	63	12	912	1712	• •			-			
9 15 24%	(*536 )	550 3½	25	34	172	30 <sup>1</sup> 2	41	Орбон		Dec	Ąг	34	Poc	Αр
27 3312 4412	Pakington '	140 18	15	18	112	712	1012	Glesso	600	94	772	96	81-	301
61 <sub>2</sub> 14 18	(*148.)	158 12	612	1012	13	25	7212	(*841.)		26	511	71	OS	- 5
22 36 37	Proxiection	330 8%	22	2512	4	1212	18	HSBC 75p ske				6012		
	P334 )		812					(756)				4712		
18					_			Reuters	1800	7312	125	138	31	74
51 <sub>2</sub> 851 <sub>2</sub> 881 <sub>2</sub>	-		_			~~	••	(*1632)	1650	4512	8742	126	58	O4
17 2712 3812	(TESO )	850 10 <sup>1</sup> 2						Option		Dec	ř.	May	Deç	М
61, 38 651,		700 1						Polls-Royce	106	19la	17%		412	81.
	Redland	600 38						(*105.)	178			_		
	(530)	550 31 <sub>2</sub>	24	20	23	35 2	3242	( 100 )		-2	-			-
17 2312 3512	Royal Insce	288 20 Z		-										
812 5212 6412	(*306.)	517 212	1442	-	12.5	10.5	_		EURIO 1					
8 29 35 <sup>1</sup> <sub>2</sub>								2025	2975	625	3075	3128	<b>3</b> 170	272
17 3012 38	Scot & New		-	-	112	-	-	CAUS			_	_		
17 30°2 30	(*486 )	482 212			18 7	-			115 8	RL.	30	7	132	,
-2 00 00-2	Tesan	158 71-	17h	25	- 3		1415			· ·		.i		

	(1,2)	Wellcome 650 57 84 70 21 38 481
Calds 8 Mrs 475 30 421 <sub>2</sub> 5		(*662 ) 700 17 31 12 556 38 12 85 12 75
(*467 ) 500 17 <sup>1</sup> 2 29 <sup>1</sup> 2		500 40 55 <sup>1</sup> 2 63 1 <sup>1</sup> 2 9 <sup>1</sup> 2 17 <sup>1</sup> 2 550 3 <sup>1</sup> 2 25 34 17 <sup>1</sup> 2 30 <sup>1</sup> 2 41 Option Dec Apr Jol Doc Apr Jo
Courtments 480 36 52	OO P 10 DTZ	
[488] 500 17 20 <sup>1</sup> 2 3	71 41 <sub>2</sub> 14 18 (*148)	
Casern Union 550 55½ 63 (*S94 ) 600 21½ 30½		
(384) 000 21-5 30-5	[334]	330 8½ 22 25½ 4 12½ 18 H58C 75p shs 750 30½ 57½ 60½ 21½ 48 59½ 360 1 8½ 12 27 30½ 58 (756) 800 10½ 33½ 47½ 52½ 70 88½
		Rauters 1800 73½ 125 136 31 74 92½
	- 18	P1877 1850 451, 071, 198 58 05 117
(*589 ) 750 10 <sup>1</sup> 2 17 <sup>1</sup> 2 2 Kingdahur 650 35 <sup>1</sup> 2 52 <sup>1</sup> 2 0	72 6512 8512 8812 RTZ	850 101 <sub>2</sub> 35 40 81 <sub>2</sub> 241 <sub>2</sub> 34 Ordina Dec Feb May Dec Feb May
	22 401 40 001	700 1 14½ 24 53½ 38 64½ Roll-Roya 196 12½ 17½ - 4½ 6½ -
(661) 765 13 15-2		
	(530)	330 3-2 24 32-2 23 30-2 42-2
	P2 48 52 564 (306)	288 201 <sub>2</sub> 31 - 1 81 <sub>2</sub> - 517 21 <sub>2</sub> 141 <sub>2</sub> - 131 <sub>2</sub> 191 <sub>2</sub> - page 27 55 apper 196600
PT15) 750 5 7212 3		CORD FI-SE BUEA ("SOOT)
	th 90 30 MIL	2025 2076 3025 3075 3128 3170 3223 322
	4 mm	
	74 401- 05 sel- 1 400 /	482 712 - 1812 - 182 138 712 1712 25 3 8 1412 Now 163 115 8612 30 7 112 1 12
,,	(*185 )	700 11 8 sell 16 97 USC 138 142 108 0012 43 242 1212 UT
Sainstury 360 23 35	41 14 30½ 27 Vodstone	TAN AT THE THE REAL PROPERTY AND WILLIAM TO THE PARTY OF
	25 84 38 4412 (538)	COS 0 401 F4 041 401 E11 ME COS 0 100 0 102 0 102
	70 8 191 <sub>2</sub> 20 Williams	300 27 38 40 1 512 1112 Jun + 256 - 188 - 132 - 89 -
	42 23 36 2 43 (325)	330 4 17 22 8 <sup>1</sup> 2 17 26 PUTS
	7 11 14	Mov 1 21 <sub>2</sub> 5 18 421 <sub>2</sub> 88 138 188
	12 101 <sub>2</sub> 231 <sub>2</sub> 28 Option	Nov Jan Age Nov Jan Age Dec 1312 21 31 47 7012 101 139 182
Testalger 90 8 121 <sub>2</sub>	15 5 512 912 BAA	
	Pl2 11 12 15 Thurs Wir	
Uniter 1138 08 5812 7	2 32 51 57 ME171	cen 4 ani, ani 34 97 41
(*103) 1150 18 <sup>1</sup> 2 33	91 43-7 01 43-7	F(-SE INDEX ("3083)
Zeneca 750 48 57 8		2900 2950 3000 3050 3100 3190 3250
	312 4812 7012 7712 Option	Doc Mar Jon Dec Mer Jen CALLS
	ng Fab May Aug Abbey Had	390 2112 8(12 3812 512 18 21 Mov 193 143 94 47 1412 212 1 12
	38 21 26 30 (*402)	420 8 18 21 2 22 32 2 37 2 Dec 208 165 123 86 2 36 2 34 18 18
	24 47 2 45 48 2 Americal	50 512 6 912 212 412 8 Jan 227 138 147 112 0212 5912 3912 2512 80 115 4 515 515 1012 1212 Feb 243 284 163 138 102 7112 38 4012
	12 812 1512 17 (53)	80 112 4 512 512 1012 1212 Feb 243 284 183 138 102 71 12 38 4012 550 4112 3812 6212 512 17 3812 Jun + 276 - 208 - 148 - 102 -
(*108 ) 180 7 10 <sup>1</sup> 2 Utd Siscolts 300 21 25 <sup>1</sup> 2 3	13 20 29 30 Barriage No 18 25 2940 (*581)	200 10 00 001 07 401 A
[328] 380 9 13 <sup>1</sup> 2		Pula
	on the Man last	Nov 12 1 212 8 26 6712 118 108 200 2116 2612 40 6012 89 125 169
		200 217 00 00 0 11 11 11 11 11 11 11 11 11
Figure 140 12 21 12 2 (**)	51 <sub>2</sub> 8 111 <sub>2</sub> 171 <sub>2</sub> (*294 ) 17 18 231 <sub>2</sub> 301 <sub>2</sub> 8-16th Gas	
(°144) 160 4 12½	17 10 23-2 32-2 GEOGREGAT	330 5 14 18 1512 1912 2612 Jun 1 59 - 8012 - 129 - 188 -
	Ohmes	
Option New Feb II	ey Nov Feb Mey (*274 )	250 22 36 36 5 1 1 20 23 <sup>1</sup> 2 24 <sup>1</sup> 2 23 <sup>1</sup> 2 26 Casta 18.671 Puta 11.420
5rt Apro 420 1512 38	50 8 3112 36	FT-SE Index Calle 6.585 Pats 5.939

		FT	-ACT	UAR	ES I	-IXE	)	M I EKE2 I	INDICE	5		
		PRICE	INDICE	8				AVERAGE EROSS RECEMPTION YIELDS	\$	Mon Nov 15	Fri Nov 12	Year ago (approx.)
		Mon Nov 18	Day's change	Fri Nov 12	Accrued interest	ad adj. 1998 to date		British Sovernment Low Coopens (0%-73-%)	5 years	5.08 6.97	8.08 6.99	7.12 8.24 8.55
_	British Covernment	129.07	10.04	129.02	2.04	10.03	4 5	Medium	20 years 5 years 15 years	7.07 6.32 7.10	7.10 6.34 7.11	7.43
	5-15 years (23)	157.02	1	158.87	1.92	11.56	. 8		20 years	7.14 6.48	7.16 6.47	
_	Over 18 years (9) irredeemables (6)	179.22 208.18		178.90 206.52					15 years 20 years	7.30 7.32	7.32 7.34	8.96 9.07
	All stocks (61)	162,61	+0.19	162.48		10.93	10	Irredeemsbleet Flat Yeld Indee-Linked		7.29	7.25	8.85
. 6	Index-Utited Up to 5 years ( 2)	190.30	+0.64	190.21	0.61	4.28	12	inflation rate 5%	Up to Syrs Over 5 yrs	2.32 3.14	2.83 3.16	2.3i 3.75
	Over 5 years (11)	187.05		185.67	1.81	4.29		Inflation rate 10%	Up to 5 yes Over 5 yes	1.55 2.98	1.56 2.90	1.55 3.56
-	All stocks (13)	188.47	+0.10	165.12		4.27	15	Bels &	5 years	7.58	7.62	8.8
9	Gobs & Leans (96)	14 <b>L</b> 1S	+0.33	144.11	1.87	10.14	16 17	Litens	15 years 25 years	8.05 8.20	8.08 8.74	9.93

# Yasuda to invest in Lloyd's

PLANS TO introduce corporate capital to Lloyd'e of London received a further boost yesterday when Yasuda Fire and Marine Insurance, Jepan's second largest insurance group, announced it was intending to invest money in the insurance

The news came amid further indications that the limit of UK institutional and retail investmeot interest in Lloyd's plans has been reached, when two investment trusts - New London Capital and CLM Insurance Fund - announced they bad raised less capital then

Yasuda will invest £1.5m (the minimum possible under Lloyd's rules) in its own corpo-

rate fund, committing £3m to eight Lloyd's syndicates man-aged by the Wellington, Murray Lawrence and Kiln managing agencies. Kiln Cotesworth Members Agency will advise the Japanese on syndicate selection. It is understood that the syndicates will tend to be those which already have Japanese business links.
"Yasuda has been trading

with Lloyd's for many years and considers that the introduction of corporate capital provides an excellent opportunity to reconfirm our support and long-term commitment to this important market," said Yasuda.

"Although modest in size the investment has immenee importance in strategic terms," said Mr Andrew Fleming-Williams of RJ Kiln. Kiln Cotesworth is also working with Cazenove and Baring Brothers on a £10m investment trust.

New London Capital, the investment trust sponsored by SG Warburg, published its listing particulars but announced that only £60m had been placed with institutions, compared with en original target of between £100m and £150m.

Mr Bruce Schnitzer, chairman, conceded that the company was "smaller than we would have ideally liked." New Loodon, which is

advised by Chartwell Advisers. a subsidiary of Chartwell Re Corporation, will raise £60m before expenses by issuing 60m shares et a price of 100p. Minimum subscription is for 20,000 shares. The trust will provide

capacity to epproximately 20 syndicates. Separately, CLM Insurance

Fund, the investment trust sponsored by Barclays de Zoete Wedd, announced that only 6.2m of the 30m shares available under its offer for subscription had been sold, raising more than 26m. CLM had earlier raduced the size of its placement with institutions. raising £80m, compared to an earlier target of £200m.

stake in the fund, subscribing for 12.94m shares. Mr Jeremy Mead, a director of BZW, conceded that "we would have hoped for a little

BZW took a 15.01 per cent

more, but there has been a lot of competition for public

shares or non-voting convert

ible debentures in John Fair-

fax. By the end of the year, the

Telegraph expects to hold 25

### **Third** quarter increase for ADT

By Paul Taylor

ADT, the security and car anction group which does much of its business in the US hnt retains a UK quote, yester-day reported a 10.5 per cent increase in third quarter pretax profits but a slight decline io earnings per share.

The Bermuda-registered group announced pre-tax profits of \$36.9m (£24.4m) in the three months to September 30. np from \$33.4m, on sales ad 4.8 per cent to \$354.9m (\$338.5m). This boosted the profit figure for the nine mooths to \$105.6m against

However, a higher \$5.4m (\$2.5m) tax charge at three months, coupled with the issue of 20.7m new chares as part of the August refinancing package, resulted in a fall in earnings per share from 24 cents to 22 cents. Nevertheless, ADT's share rose 3p to close at

Mr Michael Ashcroft, chairman and chief executive, said ADT's businesses "continued to perform in line with managemeot's expectations".

The main increase in operat ing profits came in the security eervices division which reported operating income of \$39.1m (\$36.9m) on sales which increased to \$231.3m (\$225.3m).

In North America a further 37,000 new residential alarm systems were sold during the third quarter, representing a 26 per cent increase over last

Commercial eector eales were strooger in the US Midwest, south-east and western regions with some signs of improvement in the north-east and mid-Atlantic regions.

In Canada, however, the directors said thet business was unlikely to be up to expectations until there were more positive signs of an economic

Operating profit in the rehicle anctions division dipped to \$15.1m (\$15.8m) although sales increased to \$84.4m (\$80.2m).

The number of vehicles consigned to ADT auctions in the US rose by 20 per cent over the 1992 period while in the UK the volume of vehicles sold increased by 7 per cent. Exchange rate movements, bowever, meant that the contribution from the UK in dol-

ADT's other expenses, less income, figure moved from a net expense of \$6m in the third quarter last time to a gain of \$200,000, more than offsetting

### East Rand Gold & Uranium Expamet Int Greenway Hidgs Kershaw (A) & Sons

# Fenner omits dividend after drop to £315,000

By David Blackwell

FENNER, the Hull-based industrial products group, is omitting its dividend after a sharp fall to £315,000 in pre-tax profits for the year to August

The outcome compared with profits of £5.5m last year, when total dividends amounted to 4.2p. Operating profits before exceptional items fell from £11.3m to £9.6m. Exceptional charges of

£7.92m mainly comprised restructuring costs in the power transmission business hut also included £1.2m for an aborted merger earlier this

The figures were in line with the company's estimete pub-

THE STOCK Exchange

yesterday made the first changes to the proposed new FT-SE Actuaries share indices

which will become effective

from January 4 next year. By changing the name of cer-

tain sub-sectors and removing

another, the Exchange is likely

to have appeased many of the most vociferous critics of the

Out goes the Copper Mining

sub-sector, incorporated into

the Other Mineral Extractors

and Mines eub-sector of the

Extractive Industries sector,

ings of RTZ, the diversified

mining company.
The Conglomerates sector is

now to be called Diversified

Industrials, thereby removing

a point of contention with

BTR, the industrial holding

which deals with the misgiv

**By Richard Gourlay** 

classifications.

lished in September at the launch of a rights issue, which, coupled with a 5 per cent share subscription by European Strategic Investors, raised a net

£19.8m. The fall in operating profits reflected an operating loss of £1.8m in power transmission, which accounted for £69m of total turnover of £201.6m (£196.6m). Fenner is negotiating to sell the division, which traded profitably in the second half, although no announcemeot is expected before the

end of the year.
Mr Mark Abrahams, finance director, said yesterday that the conveyor belt division had come through a tough year extremely well. The loss in business to British Coal had

Exchange makes first changes to

Rank Organisation, the

diversified leisure and office

products group which wae among the most distressed by

its earlier classification, moves

from the provisional Office

Machinery sub-sector to Lei-

the motors and business ser-

vices group, remains the big-gest outstanding issue. Its

position will be studied by the Stock Exchange's classifi-

cation committee when it

meets again on the next two

in the Conglomerates sector.

Incheave had asked to be put

After the review, all 2,375

listed and USM-quoted compa-

nies will have been found new homes within seven economic

groupings, 40 sectors and 36

sector according to the busi-ness area from which they

Companies are allocated to a

Sector and sub-sector name changes

Classification of Inchcape,

new FT-SE Actuaries indices

The fluid power division performed well in the US and the polymer business made operating profits of £4m on turnover Net interest payable dipped

from £3.91m to £3.62m. Net borrowings were up from £23.2m to £26.2m. Following the rights issue pro forma gearing was down from 54 per cent to 10 per

The results also include a contribution of 2635,000 from Fenner india and £1.6m from the sale of Fenner Industrial Controls in the US.

Losses per share were 7.860. compared with earnings of 0.1p. Excluding exceptionals, earnings would have been 6.83p (5.08p).

derive the majority of their

Also on the move are Mor-

gan Crucible and Clynwed

international - both from

**Building Materials to Engineer-**

ing Diversified; Charter and Cookson go from Bullding Materials and Chemicals Speci-

ality respectively to Diversified

The Print Services sub-sector is renamed Printing and moves

from the Support Services sec-

tor to Paper & Packaging

which has been renamed Print-

and Retailers, Chain Stores

have been merged to form Retailers, General Sector. Mul-ti-Department and Chain

The Retailers, Vehicle Dis-

fributors Sector is disbanded

and Vehicle Distributors

becomes a sub-sector of the

Retailers, Multi-Department

ing, Paper & Packaging.

Stores will be sub-sectors.

Distributors Sector.

# Telegraph advances to £38.7m

By Andrew Bolger and David Blackwell

THE TELEGRAPH newspaper group said it had seen little sign of recovery from recessioo and promised to match pricecutting by competitors with even more active promotion of its daily and Sunday titles.

The group's pre-tax profit increased by 28 per cent to £38.7m in the nine months to September 30, excluding the £6.5m profit on the investment in Trinity International Holdings. Turnover increased by 7 Circulation, which accounted for 47 per cent of total newspaper revenue, hed held up well in epite of severe price cutting elsewhere in the market."

in September, News Corporatioo cut the weekday cover price of The Times from 45p to 30p. The Daily Telegraph's weekday price remains 48p.

The Daily Telegraph sold 1.01m copies e day in September, down from 1.05m copies last year. The Sunday Telegraph's circulation edged ahead from 590,000 to 591,000. The figures snggested that its strategy of increased promotion and the offer of

enhanced reader value would

"maintain the position of The Telegraph'e titles in the quality newspaper market." Advertising reveoue was 6 per cent ahead, with improve-

meots in display advertising and, more receotly, financial edvertising. The classified recruitment market was flat. The share of associates' profits rose from £3.8m to £8.2m, mainly reflecting an improve-ment at John Fairfax Holdings. the Australian publisher in which The Telegraph's interest rose from 15 to 20 per cant. Yesterday the Telegraph said

it bad exercised ell its out-

standing options to acquire

per cent of the company. Third quarter profits from Southam, the Canadian newspaper group in which the Tele-graph has a 9.36 per ceot stake,

continue to move in the right direction," the group said. It does not expect to see a sizeable return on its £67m investment this year, hut "we are confident that Southam offers potential for 1994 and beyond." Earnings per share were ahead from 15.7p to 19.3p

### Swithland flotation plans scuppered

By Catherine M6ton

PLANS to float Swithland Group, the Midlands-based new and used car retailer, have lapsed after an attempt to place the company's shares with institutions failed.

The shares were priced at 81p each and the company

DM 150,000,000

Listing:

ABN AMRO Bank

(Deutschland) AG

Raiffeisenbank

SGZ-Bank

Girozentrale

Kleinwalsertal AG

Südwestdeutsche Landesbank

would have been valued at about £21m. The placing was not under-

BUSINESSESFORSALE

Appear in the Financial Times on

Tuesdays,

Fridays and Saturdays.

For further information or to advertise in

this section please contact

Melanie Miles on 071 873 3308

Karl Loynton on 071-873 4780

**GZB-Bank** 

Genossenschaftliche Zentralbank AG Stuttgart

Buch bondholder is entitled to convert his 6 1-4. Bond into 2 6 1-4 Bond on the interest payment data in November 1996. Conversion price will be the average of the afficial fixing prices on the Frankfurt/Main stock exchange of the 6 1/4 Bundesanleihe, due July 15, 2003 on October 9, 10 and 11, 1996.

Bank Brussel Lambert N.V.

- Girozeotrale -

(Deutschland) AG

Westdeutsche Geoossenschafts-Zeotralbank eG

Landwirtschaftliche Reotenbank

Schweizerischer Bankverein

Stadtsparkasse Köln

Bayerische Vereinsbank

Trinkaus & Burkhardt

CSPB-Effectenbank Deutsche Apotheker- und Ärztebank eG Hamburgische Landesbank

Baden-Württembergische Bank

Schweizerische Bankgesellschaft

(Deutschland) AG

Südwestdeutsche Genossenschafts-Zentralbank AG

6 % Bonds with Conversion Right of 1993/2003

November 11, 2003 at par

Düsseldorf and Stuttgart

Bayerische Hypotheken- und Wechsel-Bank

Landeskreditbank Baden-Württemberg

6 1/1% p.s., payable annually in access on November 11.

written. It was conditional on a minimum of 48 per cent of 18.5m shares to be placed, or 67 per cent of the 26.4m total share capital, being placed by November 12.

It is not known how many shares were placed.

The company could not be reached yesterday but former sponsors, Ionian Corporate Finance, said: "The position is tbat Switbland Group has withdrawn its application to tbe London Stock Exchange for the ordinary share capital to be

admitted to the Official List." Swithland will issue a statement in due course. Ionian added that it had ceased to act for Swithland Group.

It is thought that adverse press comment about the company is being blamed for the lack of institutional interest in

### **BOARD MEETINGS**

The following companies have notified dates of board meetings to the Stock Euchango. So meetings are usually held for the purpose of considering dividends. Official indications are no notablishe as to whether the dividends are following or finals and the sub-divisions shown below to finals and the sub-divisions shown below to finals and the sub-divisions shown below to finals and the sub-divisions shown to the sub-divisions shown to the transport of the sub-divisions shown to the sub-division TODAY

Interline- Accol., BOC, CML, Microsystems, Cap-lan House Ind Growth, European Motor, FRI, Foreign & Col German Inv, Kembrey, Marshatis, Wolfest Formats, Moran, Teonal Diagnostics.

Interime-	
ABI Leigura	Nov. 2
Argy4	Cec. I
Assoc Nursing	Nov. 25
Creighton's Naturally	Dec. 2
Howelson	Nov. 22
Readcut Inti	Nov. 23
Torne (John)	Dec. 7
Vega	Doc 6
API	Dec. 6
Dundee & London Inv Tet	Nov. 30
Millyoff	Nov. 17
Scottish Inv Tet	Nov. 26

DIVIDENDS ANNOUNCED	Tot .,	Nov. 17 Nov. 26	\$200,000, more than an increase in net in	
	DIVIDE	NDS A	ANNOUNCED	

	Current payment	Date of payment	ponding dividend	for year	last year	
ritish Alrwaysint	3.16†	Jan 31	3.06	-	10.0	
ritish Steelint	0.5	Jan 17	nll	•	1	
ritchieyinl	2.6	Feb 4	-		4.0	
ennerfin	ᆒ		2.5	nit	4.2	
enoldinl	0.7	Jam 28	nil	-	1	
idlaw	6.25†	Feb 4	6.25	10.5	10	
ibroplantint	1.22	Jan 10	1.22	-	2.5	

# 1 Controlled

Other Textiles Assets Character Textiles

Ruther Protesting

Building Contractors (\*\* Building & Construction

Company sector changes The second secon

125 Other Mineral Extractors 2 222 Building Materials 2 222 Building Materials 2

Mechanical Handling
Equipment
222 Building Materials
222 Building Materials
210 Building & Construction

Metaec Morgan Crucible NSM Rank Organisation Simon Engineering

Barlo Group Charter

222 Building Materiels 222 Building Materiels

255 Office Machinery 185 Oil Services 222 Building Materials 210 Building & Construction

The state of the state of 414 Distributors Other 262 Engineering Fabricators

# Scottish bus-maker en route to new stage of life

James Buxton reports on Walter Alexander

industry has been a turbulent piece in the past decade. But Walter Alexander. the privately-owoed Scottish hus maker, is one of the survi-

its sales should rise by 55 per cent this year to £47m and profits are growing.

Alexander, one of the familiar names in UK hus huilding,

is based at a large plant on the outskirts of Falkirk in central Scotland, where it was founded in 1924. It also has a plant in

in 1990 the Alexander family pulled out and the Walter Alexander group, then a mini-conglomerate, ceased to be quoted on the Stock Exchange, it was sold for £32m to Spotlaunch, a syndicate formed by Granville, the venture capital group. Mr Ian Galloway, an experienced manager in large engineering companies, came in to run the bus building subsidiary.

At the time he believed the task was just a matter of improving the company's efficiency and waiting for the market to improve. But the bus market fell by 21 per cent between 1990 and 1991 because of recession and Mr Galloway had to cut Alexander's Falkirk workforce from 763 to 525, many of whom were put on a three or four day week. The possibility of closure loomed.

The bus market had been

devastated in the mid-1980s by

year, expected to reach £1.6m this year. A £2m profit is HE UK bus building the government's deregulation of hus services and the privatisation of bus companie expected for 1994.

Orders for single and double deck douses collapsed as bus rators extended the working life of their vehicles and ordered new mini- and midihusee, which Alexander was slow to start making. in 1990 recession came just as orders ing British makers. were beginning to recover.

Alexander'e recovery began when the company launched a new midi-bus in 1991 and won A privatisation mey cause further disruption to the market, the new an order for the first 255 vehicles from Stagecoach, the Perth-based company which is one of the biggest groups in the privetised bus industry. The order enabled Alexander to end short time working. Since then staff numbers have risen to over 700, plus 220 in

he group rebuilt its export sales with orders for lerge buses from Hong Kong and last year gained an order for 200 double deck bus kits from Singapore. Exports now account for about half its £50m order book and most are in the form of

kits for local assembly. In April 1992 Mr Galloway led e £7.4m management buy-out of Alexander from Spotleunch, backed by Standard Life and other institutions, including Granville. But profits are still small, with preinterest profit of £925,000 last

Alexander now claims to be the UK market leader with a 32 per cent share of the domestic bus market, as well as being the only UK bus manufacturer to export. Mr Galloway feels things will improve for surviv-

private operators are becoming more mature and are following consistent ordering policies. Stagecoach was floated on the Stock Exchange in the spring and Badgerline is now coming to the market. They have been the two biggest purchasers of Alexander buses in

the past two years. Mr Brian Souter, chairman of Stagecoach, has said that for every new bus the company buys its operating costs go down by £6,700 a year because of greater fuel and maintenance efficiencies.

Having had three years of organic growth Alexander would like to expand in conti-

nental Europe by acquisition. "We would like to get a little bigger before we move to the next etage of our gameplan, which is a Stock Exchange flotation," says Mr Galloway. The company is aiming at a float in

late 1994 or early 1995.

### REPUBLICA FEDERATIVA DO BRASIL MINISTÉRIO DO BEM-ESTAR SOCIAL SECRETARIA DE SANEAMENTO

PROGRAMA DE AÇÃO SOCIAL EM SANEAMENTO - PROSEGE ESTADO DO PARANÁ

MUNICÍPIO DE FOZ DO IGUAÇU INVITATION FOR INTERNATIONAL BID — "PROSEGE Nº 01/93"

The "Prefeitura Municipal de Foz do Iguaçu", annouces that the Bidding Comission Chairman will receive the Eligibility and Qualification Documents and the Bid for the construction and completion of the works described in the attached Bidding.

completion of the works described in the attached Bidding Documents, duly recorded at the reception desk of "Prefeitura Municipal de Foz do Iguaçu", at 2:00 p.m. o'clock of 04 of Jenuary 1994, at the Bidding Office at "Praça Getúllo Vargas. Nº 280, Foz do Iguaçu Parana", "Sistema de Esgotos Sanitários de Foz do Iguaçu — 1º fase". Brazilian and foreign bidders máy participate in thia Bid Process since proceeding from member-countries of the Inter-American Development Bank — IDB. The works referred in these instruction will be supported by financial resources coming from the "Programs de Ação Social em Saneamento — Prosege" (Programs of Social Action in Sanitation), of the "Ministério de Bem Estar Social — MBES" which are parthy the proceeds of the loan agreements B22/OC-BR signed between IDB and the Government of Brazil, resources coming from the Federal agreements 822/00-bit signed between IDS and the Government of Brazil, resources coming from the Federal General Budget and the corresponding financial counterpart of "Prefeitura Municipal de Foz do Iguacu", according to the Budget Resolution, "NP 1775, 7/6/93". A complete set of bidding documents may be purchased at the "Prefeitura Municipal de Foz do Iguacu, Praca Gentilio Margae, NP 280". bidding documents may be purchased at the "Prefettura Municipal de Foz do Iguaçu, Praça Getúlio Vargas, Nº 280", from the publishing in ONU ("Organização das Nações Unidas") this invitation on, at working time (Monday to Friday from 8:00 to 12:00 a.m. and 2:00 to 8:00 p.m.) until 10 days before the presentation of the Documents and Birts, mon assented of CRS. presentation of the Documents and Bids, upon payment of CR\$ 50.000,00 for each Bid.

Foz do Iguaçu, 7 de Outubro de 1993. DOBRANDINO GUSTAVO DA SILVA PREFEITO MUNICIPAL Engo. CARLOS JULIANO BUDEL Presidante da Comissão de Licitação.

DO YOU WANT TO KNOW A SECRET? The LO.S. Garm Seminar will show you how the markets REALLY work. The amazing trading techniques of the legendary W.D. Gern can increase profits and contain your losses. How? That's the secret. Ring 0st 424 took your FREE place.

FUTURELINK CALL HYEIRON ON

(6(

vidend \* 15,000

Risks hardly ever travel alone.

Risks prowl ceaselessly around every business. Usually, they hunt in packs. Dealing with them piecemeal is ineffective. More often than not, they're linked.

Nowhere is that linkage more intricate than in the airline business. Fuel prices, interest rates, currency swings, load factors, even political pitfalls — each risk has to be examined in light of the others.

To bring an element of stability to an industry that changes minute by minute, Bankers Trust has

found a way of analysing the airline business and attaching a monetary value to many of the operational risks it faces. A risk management plan that can turn volatility into profitability.

With our hands at the reins, you'll see which risk will hurt you and which you'll profit by. So risk will do your bidding, not take you unawares.



# Sidlaw edges ahead to £11m

By Catherine Milton

PRE-TAX profits at Sidlaw, the Scotland-based packaging, oil services and textiles company. rose just 5 per cent to £11.1m in the year to September 30 in spite of an 87 per cent increase

Sales rose to £172.9m (£92.5m), benefiting hy about £60m from an extension of the company's supply chain management business for leading

In October last year Sidlaw moved into fees-based chartering and managing standby and supply vessels

The company books all the revenue on each transaction. Sidlaw said underlying margins in the oil services division were static at 20 per

Oil services sales rose to

£94.5m (£33.7m) giving operating profits of £7.25m (£6.7m).

The profit here included a small loss of £342,000 in the Supplylink joint venture set up last year to offer logistics services internation-

Drilling support work declined to about 20 per cent (24 per cent) of sales, due partly to changes in the indus-try's tax structure. This figure would always vary, the company said. Sidlaw's packaging division

saw sales ahead at £54.1m (£35.5m) giving operating profits of £4.72m (£3.85m). Sidlaw acquired Courtaulds Flexible Packaging just before its year end for £78m, funded partly by a £53m rights issue and partly through borrow-

6.25p lifts the total from 10p to 10.5p on the enlarged share capital. Earnings per share slipped to

by the acquisition.

The move doubled the

profits of £564,000 (£833,000).

size of the company and took Any company confronting the Sidlaw firmly into continental aftermath of a substantial acquisition during a period of "Although It is early days economic difficulty may find with Courtaulds Flexible Packprofits more elusive than aging, we feel that we are making good progress," said expected in the short term. Sidlaw, itself, believes the Spanish Mr Digby Morrow, chief execuand French economies will remain weak for at least another year and is more confitextiles division improved sales to £24.3m dent than some about the sta-(£23.3m) giving operating bility of its main market, the UK. However, the company's Interest charges rose to recent reclassification could £1.54m (£1.17m) and gearing to lift the shares as they move 73 per cent (29 per cent), lifted into the ambit of those with an appetite for packaging stocks. Analysts' forecasts for pre-tax Net borrowings were £43.4m (£11.4m) at the year end.
A proposed final dividend of profits are pitched at about the £18m mark putting the shares on a prospective multi-ple of 13.9. This looks cheap against the packaging sector, reflecting Sldlaw's newcomer

> ity unit hire company which made losses last year, had a busier summer and costs have been cut with its back office moving into Vihroplant's Har-

rogate head office. Group turnover edged ahead to £36.9m (£36.2m).

### North West Water

North West Water offshoot, Water Engineering, has won a further contract from the Macau government for work on the peninsula. The £15m design and build contract is for a sludge treatment plant, Water Engineering is partnered hy Portuguese civil engineering groups Teixeira Duarte

### **GRE** buys **US** motor insurer for \$100m

By Richard Lapper

**GUARDIAN ROYAL Exchange,** the insurer, yesterday made its higgest acquisition for more than four years, paying \$100m (£65m) to acquire American Ambassador Casualty, a Chicago-based motor insurance company, from Allianz, the German insurer.

The deal, subject to the approval of US regulators, increases GRE's exposure to the specialised non-standard motor insurance market in the US. "It demonstrates GRE's commitment to controlled growth in selected markets," sald Mr Jim McDonongh.

American Ambassador complements GRE's Globe American subsidiary in Ohio, which also specialises in non-stan-dard risks such as older drivers, specialist cars or drivers with poor records. The two businesses are in geographically close locations but have

little territorial overlap. American Amhassador achieved gross premium income of \$88m in 1992 and a pre-tax profit of \$16m. The company has produced an underwriting profit for each of the last five years and net assets were \$81m at the end of 1992. Premium income at Globe amounted to £39m.

After the deal GRE will derive 11 per cent of its insurance income from the US, an increase of more than a quarter. The cash consideration is heing met from existing resources and will reduce GRE's net asset value per share hy about 1p. Its solvency ratio, 55 per cent at June 30 1993, will be reduced to 53.5 per cent.

Queens Moat shareholders establish fighting fund

By Michael Skapinker, Leisure **Industries Correspondent** 

A GROUP of Queens Moat Houses shareholders has set up a fighting fund and nominated three representatives to argue on their behalf at the annual meeting on November 29.

The three are Mr Anthony Beaumont-Dark, the former Conservative MP, Mr Denis Woodhams, who ran a Queens Moat hotel in Stratford-upon-Avon, and Mr Peter Bruton-Phillips, a solicitor.

The QMH Shareholders' Action Group is urging supporters to fill in proxy forms for the meeting in favour of one or more of the

The group is asking shareholders to contribute 2p a share to a fighting fund. It said it needed to take the advice of senior lawyers, property valuation experts and accountants to ansure that shareholders' interests were not overlooked in any restructuring.

It was particularly concerned that any debt for equity swap would dilnte shareholders' interests to an unacceptable

Although it recognised the importance of retaining the goodwill of creditor banks, the group claimed iusufficient Anthony Beaumont-Dark: banks are not innocent victims feel other interests ought to be attention was being paid to

looked to as well. shareholders' interests. He added: "The banks have a certain responsibility. How The group said yesterday that the initial response to the fighting fund proposal had been positive. It added that it well did they check before lending money? They're not was taking legal advice on the rights of shareholders. just innocent victims. The people who are the most innocent are the shareholders." The group is considering put-ting Mr Beaumont-Dark for-

Mr Michael Heseltine, trade and industry secretary, last week appointed inspectors to investigate the group, which is talking to creditor banks about refrancia its El.18bn debt.

understands it, are protecting their own situation. But people **NEWS IN BRIEF** 

ENGINBERING,

ward as a non-executive direc-

tor. Mr Beaumont-Dark said yesterday: "The banks, and one

INTERCARE GROUP has paid SIMON £95,000 in cash and shares for Optimed, a supplier of medical equipment to hospitals. Some £20,000 of the £45,000 cash consideration is subject to Optimed's 1994 results. PEGASUS has entered into an

agreement to acquire the business and assets of Sequel Systems, an accounting software product, for £786,000 in cash and shares.

through its Simon-Macawber offshoot and its contract management partner, ATSI of Buffalo. New York has won a \$16.6m (£11m) contract from Bethlehem Steel Corporation, Pennsylvania for the Simon-Macawber/British Steel coal injection system. SPIRAX-SARCO Engineering

has announced that the reference price in respect of the

enhanced scrip dividend afternative is 348.44p. Accordingly the UBS cash offer price is 341.47p. Elections were received for the enhanced scrip in respect of 72.9m shares (97 per cent), out of which accept tances of the UBS cash offer were received for 9m shares. TAKARE has received accep per cent of the shares offered

.

under the rights issue.

### Vibroplant shares dip after 27% fall at 1.22p, payable from earnings "So long as we have no losses in the region, we don't want to throw the towel in." By Peter Pearse

VIBROPLANT yesterday reported a 27 per cent fall in pre-tax profits, from £2.03m to £1.48m, for the six months to September 30.

Mr Jeremy Pilkington, chairman of the plant hire group, described tha outcome as "not terribly satisfactory" and "a disappointing performance".

The shares fell 10p to 89p. However, Mr Pilkington said that continuing strong cash flow had further reduced borrowings to £27m-£28m (£32m). bringing gearing down from 58 per cent to 46 per cent. He estimated it would fall below 40 per cent at the year-

Capital expenditure grew to £6m (£4m) in the half. The interim dividend is held

٧a (60

(32

of 2.08p (2.93p) per share. Behind the profits decline lay a slump in pre-tax profits from the US operations to just £62,000 (£810,000), while in the

UK they rose to £1.42m Mr Pilkington said that dollar revenues were down 10 per cent, but that translated into

sterling they advanced 4 per One factor in the US decline were costs of \$300,000 (£199,000) relating to closures in the Mid-

West last time. However, the main transat-lantic problem continued to be California, where prices in hire husinesses across the hoard had fallen some 25 per cent due to recession in the construc-tion, defence and aerospace

Mr Pilkington said. In the UK, trading conditions

continued to be poor, and the profits rise derived from falls in depreciation to £3.38m (£3.73m) and in interest payable to £228,000 (£614,000). Trading profits were down at £5.03m (£5.57m). The UK side has been refo-

cused into six specialist businesses, a move designed to encourage managers to "stay close to their markets" and to promote product innovation. Prices have been "a little better", said Mr Pilkington, and bad debts, which in the last full year were 4 per cent of turnover, were now "usefully below 3 per cent".

£15m contract

Alphabet Event Hire, the and SC Soares Da Costa.

# **FERRANTI SHAREHOLDERS**

### WHY YOU SHOULD ACCEPT THE GEC OFFERS

The Board of Ferranti believes that:

- THE OFFERS ARE THE ONLY ALTERNATIVE TO RECEIVERSHIP
- THE BANKS WILL NOT CONTINUE TO LEND to Ferranti if the Offers fail
- Ferranti's FINANCIAL POSITION has DAMAGED its ABILITY TO WIN new business
- LACK OF FINANCE PREVENTS EFFICIENT DELIVERY of systems and products
- Ferranti's FINANCIAL POSITION CONTINUES TO DETERIORATE
- The Offers represent the BEST PROSPECT of SAVING Ferranti **TECHNOLOGY AND JOBS**
- The Offers are in the BEST INTEREST of Ferranti's SUPPLIERS, CREDITORS, **CUSTOMERS AND EMPLOYEES**
- Ferranti shareholders are likely to receive NOTHING FROM A RECEIVERSHIP.

GEC is prepared to acquire Ferranti ONLY IF IT WILL OWN THE ENTIRE share capital.

If Ferranti shareholders do not take positive action by returning their Forms of Proxy and their Forms of Acceptance:

- they are likely to receive nothing
- employees, customers and suppliers will also suffer

Make sure you return your Forms of Proxy and Forms of Acceptance

The Directors of Ferranti International pic ("Ferranti") accept responsibility for the information contained in this advertisement. To the best of the knowledge and belief of the Directors of Ferranti (who have taken all reasonable care to ensure that such is the case) the information contained in this advertisement is in accordance with the facts and does not omit anything likely to affect the import of such information.

This advertisement is issued by Ferranti and has been approved by Baring Brothers & Co., Limited ("Barings") for the purposes of section S7 of the Financial Services Act 1986. Barings (which is a member of The Securities and Futures Authority) is acting for Ferranti and no-one else and it will not be responsible to anyone other than Ferranti for providing the protections afforded to customers of Barings or for providing advice in relation to the Offers.



### MONTEDISON

Notice of a Meeting of Shareholders

Shareholders of Montedison S.p.A. are berely encreased to attend a meeting of shareholders to be held at Foro Buomparte 31, Milan at 10:00 a.m. on Wednesday, December 1, 1993 in order to discuss and vote upon the following liters on the agent 1) increase in share capital in the amount of 2,916,788, 109,000 f. free through the issuance of 2,916,788,109 ordinary shares, par value 1,000 f. free per share, with dividend entitlement as of January 1, 1993, in the form of a rights offering to existing shareholders at a ratio of 1 new ordinary share for every share of whatever class held. Attached to each whate turnly issued will be:

a) a warrant, exercisable at any time within three years of its issuance, entitling the holder thereof to subscribe for additional Prioritional ordinary shares, pur value 1,000 fare per share, with normal dividend entitlement, at a ratio of l ordinary share for every 2 warrants at the price of 1,000 for per share;
b) a warrant, exercisable at any time prior to December 31, 1995, to acquire from
Montedison shares of falson S.p.A. at a ratio of 1 share for every 20 warrants at

2) Increase in share capital not to exceed an aggregate amount of 7,458,394,055,000 Lire through the issuance, in one or more tranches, of a maximum of 1,458,394,055 Montedison ordinary shares, par value 1,400 Lire per share, with normal dividend entitlement, reserved exclusively for the exercise of the warrants described in item 1 a) above. nic national of 7,458,394,055,000

warrants described la item 1 a) shows:

3) Terms and conditions for the exercise of the warrants for the subscription for Montellison S.p.A. shares and for the purchase of Edison S.p.A. shares described in items 1 a) and 1 b) above.

4) Granting of authorisation to the Board of Directors—in accordance with Articles 2443 and 2420 ter of the Civil Gode—to office a further increase in share capital, at one or more times over a period of eightoon mouths following the vote of the shareholders' meeting, for up to 1,000 billion Lire, and to issue debentures, at one or more times during the same period, for up to 500 billion Lire, revoking the authorisation previously granted to the Board of Directors by resolution of the shareholders' meeting of November 6, 1990.

5) Amendments to the Articles of Association: Article 5 with respect to previous resolutions as well as the defotion of the outdated second, third, and fourth clauses thereof; Article 9, modification regarding the attendance of the secretary at shareholders' meetings; Article 10, amondment of the last clause to reflect the provisions of Article 2366, second clause, at the Civil Code, as well as the addition of a new clause relating to the remaneration to be paid to the Board of Directors, Article 14, a more correct stalement of the power of legal representation, Article 17, deletion of the first part of the third clause relating to the remaneration of the Board of Directors.

6) Proposal to revoke, in accordance with Article 2, clause 7 of D.P.R. 136/1975.

the remuneration of the isoard of Directors.

6) Proposal to revoke, in accordance with Article 2, clause 7 of D.P.R. 136/1975, the engagement given by the shareholders' meeting of June 25, 1990 to Price Waterhouse s.a.s. di Renzo Latini & Co. to sudit and report on the company's financial statements, and to commence o legal action against such firm in accordance with Article 12 of 9.P.R. 136/1975. As consequence of the suggestion the symptome of the angangement to sudit and report of the foregoing, the granting of the engagement to audit and report on the company's financial statements for the fiscal years 1993, 1994 and 1995 in accordance with Article 2 of D.P.R. 136/1975.

7) Authorisation in accordance with Article 2357 ter of the Civil Code to dispose of Mostedison shares held by the company tiself and determination of the manner of disposition, modifying the related resolutions of the shareholders' meeting of June 20, 1991.

 Determination of the commercial to be paid to the Board of Directors for the liscal years 1993, 1994 and 1995. 9) Resolutions relating to or resulting from the foregoing matters.

9) Resolutions relating to or resulting from the foregoing matters.

Since inclination are entitled to attend the Meeting if, at least five days prior to the Meeting (excluding from the computation the day of the Meeting), they have deposited their share certificates at the Company's registered office or at one of the following financial institutions:

In Italy: Monte Titoti S.p.A. (for certificates deposited with the same), Credito Italiano, Banca Commercial Italiano, Banca di Roma, Banca Nazionale del Lavoro, Banco di Napoli, istituto Bancaria San Paola di Torino, Monte del Paschi di Siena, Banco Ambrostano Veneto, Banca Mercantile Italiana, Banca Nazionalo dell'Agricoltura, Banca Popolare di Bergamo-Credito Varesino, Banca Popolare di Mitano, Banca Popolare di Novara. Banco Lariano, Cassa di Risparmia delto Provincie Lombarde, Credito Commerciale, Credito Romagnolo. Abroad (by appoiatment of Italion Innels according to the law):

In Switzerland: Société de Banque Suisses - Baset and Zurich.

Credit Suisse - Zurich, Unian de Banques Suisses - Zurich,
Banco della Svizsera Italiana - Lugano,
In France: Banque Nationale de Paris - Paris,
Io Great Britain: Morgan Cuaranty Trust Co. - London.

In Belgium: Banque Bruxelles Lambert - Brussels.

In Germany: Deutsche Bank, Oresduer Bank - Frankfurt a/Main.

In the Netherlands: ABM-AMRO N.V. - Amsterdam and Rotterdam.

In U.S.A.: Bank at New York - New Yark,

On behalf of the Board of Oirectors Guido Rossi - Chairman

Procedure to be followed by foreign shareholders: A) Shareholders wishing to attend must request in writing or by telex that the bank where their shares are deposited issue an admission licket, if that hank is one of Montedison's above-listed depositary banks; if the bank where their shares are deposited is not one of Montedison's depositary banks, they must request that bank to contact age of the depositary banks so that an admission ticket can be issued. All admission tickets must be issued at least five days before the Meeting.

issued. All admission tickets must be issued at least five days before the Meeting.

B) Shareholders wishing to vote by proxy may appoint a proxy only after deposition their rhares and receiving the admission ticket in accordance with after deposition procedures described in A), above. Proxies are to be in writing and cannot be issued to: banks, members of the Board of Directors. Statutory Auditors and employees of Mootedison and its subsidiartes.

Please Note: Shareholders may contact the foreign branches of the above-listed italian depositary banks to expedite these procedures.

Montedison S.p.A. - Registered Office in Milan at Poro Buomaparte, 31 Share Capital Lit, 2,916,788, 109,000 fulty puld Court of Milan - Register of Companies no. 3 10652/7795/3 Tax identification no. 031 145 t0158

# Tadpole swims back into the profits stream

TADPOLE Technology, tha bigh technology electronics group, turned a £1.7m loss into a £749,000 pre-tax profit and almost doubled sales in its first

The company warned, however, that it was likely to raise fresh capital from new and existing shareholdars next rear, further to strengthen the balance sheet and fund growth.

Mr George Grey, Tadpola's co-founder and chief executive, said he did not believe tha company would be forced to raise new money but it would be prudent to do so.

The shares fell 10p to 279p. For the year ended September 30 sales expanded 83 per cent from £12.5m to £22.9m. Earnings per share were 3.5p compared with losses of 16.5p a year earlier. In keeping with is practice common to most US based high technology stocks, no dividend will be

Tadpole has its principal offices in Cambridge, and Aus-

The profit figure was helped by net interest payments of only £53,000 this year compared with £256,000 in 1992. The company has net cash of

just over £1m. Net assets are now £3m compared with £1m last year while the accumulated deficit is £2.45m

(£2.84m). · · · Tadpole specialises in an esoteric area of electronics involving the manufacture of high specification printed circuit boards and notebook computers which compress the power of advanced workstations into

Mr Grey said that most of the improvement in revenues was the result of increasing

computers based on Sun Microsystems most powerful microprocessor.

The Sparcbook husiness grew by over 400 per cent dur-ing the year, despite shortages of key components including monitor screen and disk

been solved and next year IBM would be launching a notebook computer designed and manufactured by Tadpole based on IBM's Power PC chip, Mr Grey

Tadpole is reaping the benefits of heavy investment in engineering and marketing. It is still, however, an early stage in the development of the Sparcbook market. The IBM portable workstation is an attractive proposition but it will not be imtil the middle of next before it will be possible to judge whether the company justifies its historic p/e of 79.7. Analysts are estimating pre-tax profits of about £5m for next year. The company plans a Nasdaq ADR listing. Should Tadpole's notebooks achieve their anticipated success, US interest could boost the share price substantially if Micro Focus' experience is any guide.

# interim after jump to £2.4m

RENOLD, the chain and gear manufacturer, yesterday resumed interim dividend payments as pre-tax profits trehled to £2.4m for the six months to

Mr David Cotterill, chief executive, said the company was starting to reap the benefits of its £33m capital investment programme between 1989

However, while there was some improvement in UK and US markets, there were no signs of recovery in Europe. The company, Europe's biggest chain-maker, would continue to look for higher margins and new business opportunities. The shares rose 9p to 108p

vesterday. Profits were struck on turnover of £65.4m, up 12 per cent from a previous £58.4m, largely in the UK, where tax losses are reflecting sterling's devalua-tion. At constant exchange available. Earnings per share more than quadrupled from rates the gain was 2 per cent. The result also included a £500,000 charge for redundan-

cies following a 10 per cent reduction in the German labour force. The company now employs a total of 2,600 people, down from 4,000 in making husinesses.

The chain division, which accounts for 60 per cent of the group's business, increased profits in the UK. Cost reductions in Germany helped the husiness to withstand the severe recession there.

Mr Cotterill said the gears business had "a horrible year" in 1992-93. The Milnrow gears husiness had now returned to profit in the UK. Holroyd, which makes rotors

used in air conditioning and refrigeration, was "doing very Net horrowings fell from £14.7m to £10.1m, giving gear-

ing of 19 per cent (28 per cent). Interest payable eased to £800,000 (£1m). The tax charge fell from 39 per cent to 21 per cent. reflecting the fact that much of the profit increase was earned

0.7p to 2.9p. The interim dividend of 0.7p compares with last year's total

Renold recently raised £400,000 from the sale of its interests in two small loss-

# Renold resumes Improved margins behind 26% advance at Critchley

CRITCHLEY GROUP, the electrical cable accessories manufacturer which came to market a year ago, yesterday reported a 26 per cent increase in interim pre-tax profits, bol-stered by the £1.6m acquisition in May of BT's Label Centre business.

Pre-tax profits increased to £1.6m (£1.27m) in the six months to September 30 on turnover ahead 23 per cent to £13.8m (£11.2m), including a \$1.61m five month contribution from Critchley Label Centre. On a like-for like hasis

turnover increased by 9 per

Operating profits, including £142,000 attributable to

### Cullen's back in black Sharp downturn at Colorgen

Profits before tax of Colorgen, the US-based colour matching specialist traded on the USM. fell from \$928,000 to \$407,000 (£273,000) for the year to end-June. Income from operations at \$1.04m (\$921.000) was in line with forecasts in Angust.

grocery retailer, returned profits of £18,000 pre-tax for the half year ended August 29. compared with previous losses to \$381,000. The improvement reflected a combination of tighter controls on margins

Sales improved to \$14.2m (\$11m) but operating costs rose to \$5.92m (\$4.64m). Earnings were 1 cent (5.5 cents).

Critchley Label Centre, rose to £1.55m (£1.28m), reflecting an overall improvement in margins, particularly overseas, and tight control of costs.

"Critchley has made good progress during the six months with an improved contribution from all divisions," said Mr lan McCallum, chief executive, "in particular we are pleased with the progress of the Critchley Label Centre, our first acquisition since going public."

The core cable accessories and identification husiness reported a 22 per cent increase in sales to £10.1m (£8.2m), mainly reflecting the new acquisition and a 28 per cent increase in direct exports

CULLEN'S Holdings, the

Gross profits rose by £173,000

and costs in the Neighbour-

hood Food Stores division and

the elimination of losses

which helped offset the flat UK

Excluding the acquisition, the husiness reported a modest beld back by the discontinu ance of two groups of low-mar gin factored products. Like-forlike sales grew by 8 per cent. Critchley Wound Compo nents, which manufacturers coils and transformers for cir-

Critchley Enclosures lifted sales by 27 per cent to £L45m (£1.14m) and moved hack into profit.

The group ended the first half with net cast of £2.4m. Fully diluted earnings per

cuit boards, increased sales hy

22 per cent to £2.24m while

share increased by 7 per cent to 9p (8.4p) and a maiden

There was also a \$78,000 con-

The network gross turnover

from a surplus on the sale of

improved by 15.7 per cent to

£12.6m. The Neighbourhood

Food Stores division increased

profitability hy 32 per cent.

Earnings per share emerged at

0.1p (losses 0.1p).

d through iion's 14th Tiraspol, t of the ne reason arliament. able lohh

nst joining of Indepen nt Mircea he parlia tribution to profits arising y that this d to eco-Moldova, of its raw cent of its : and he sic union

7a

arsh

o declared

dent from

mment in

their own

med bun-

ar, but the

ting of the

and com

Moldova's

ia, which

separatists

republics at that our but part of

> ans never tion with ae country g policy of e east". rnment's ochemen! r to have resolve the

Yeltsin President

arkable billion Life is percent at This in the

ounds.
in the
id 400
<s and
luation
of the

Capital
Capital
Capital
opping
eading
first to
based
1 1 am
r retail

entres.

ent —

untres'
centre.

and a

d flow
is now
he UK.

r years n with gronal

es to a

g you

infance he UK ility to I those the US

000

### Blick shares he redeemed, including the accrued premium of £112,000. up on rights Success

SHARES IN Blick, the communications systems and time products company, advanced 15p to 445p yesterday following the announcement that its rights issue had been taken up in respect of 97.9 per

cent of the shares on offer. The company was raising £20m through the issue of 5.54m shares at 370p. The cash will go towards acquiring its rival Time Security for £57.6m.

### Bennett & Fountain unconditional

Marlowe to acquire Bennett & Fountain, as at November 12 valid acceptances had been received in respect of 68.62m shares (65.7 per cent).

Of the total amount 60 per cent (63.63m shares) of acceptances were from Parkway, a wholly owned subsidiary of Voltex.

The offer was declared unconditional in all respects and remains open until further

### Pantheon redeems £7.5m loan stock

Pantheon International Participations intends to redeem on December 29 the whole of the outstanding £7.5m loan stock, including accrued premium, by making a payment of some £5.6m from existing cash

The company said it had served notice upon the regis-tered holder of the loan stock in accordance with provisions of the stock. The company said it would also pay tha interest accrued from July 1 on the nominal amount of the stock to

•

: The discount of some £1.9m on redemption will result in an increase of about 11p in the fully diluted net asset value

### Crest Nicholson in £14.6m land deals

Crest Nicholson, has, through its Crest Strategic Projects subsidiary, entered into transactions totalling £14.6m on parts of its landholdings at Swindon, Chippenham and Stowmarket. Each of the sales is in excess of

The transactions, together with proceeds already received from the £27.6m sale of four commercial properties announced last month, have Further to the recommended in group bank borrowings, cash offer made on behalf of which of October 31 amounted

### Hillsdown makes Scottish disposal

Hillsdown Holdings' subsidiary FMC has sold its abattoir and consumer ready meat opera-tion at Perth, Scotland, to a subsidiary of Beck Food Group. Consideration was a sum not material in relation to Hills-

The sale of the Perth plant virtually completes the FMC

### Graystone offer unconditional

inconditional as to accep

As at November 11 valld shares, representing 94.55 per open for further acceptances

disposal programme.

The recommended offer by Graystone, made via Chemical Investment Bank, for British Syphon Industries, has become

acceptances had been received in respect of a total of 32.07m cent. The offer will remain until 3pm on December 6.



ORDINARY SHARE OFFER SPONSORED BY TEATHER & GREENWOOD CORPORATE FINANCE LTD.

TO REGISTER FOR A MINIPROSPECTUS IONTACT YOUR FINANCIAL ADVISER OR CALL 071-256 6131 or 0302 53225

EGEPT is a new Investment Trust formed to provide its shareholders with Long Term Capital Growth by investing principally in existing Endowment Policies plus a Share Portfolio of Investment Trust Income Shares.

EGEPT will be managed by Exeter Asset Management Ltd, a member of IMRO. The Trust will have a 15 year life, a prior ranking zero debenture and does not plan to pay dividends.

This advertisement has been approved by Teather & Greenwood Corporate Finance Ltd., a member of the Securities and Futures turnores for the purposes of Section 57 of the Financial iervices Act 1980, and is not an invitation to apply for shares. Applications should only be made on the basis of the listing particulars. The value of an investment in EGBPT may fluctuate



# Before you sign any deals abroad, make sure you've got all the facts.



When you're doing export business, it's not enough to know how someone's behaved in the past. You've got to be able to judge how they'll behave in the future. Nobody does more to uncover the intelligence you need than Trade Indemnity.

When we evaluate your potential customer, we never rely on hearsay alone. We're not even prepared to depend entirely on published data. Instead, your own personal underwriter will, when necessary, travel round the world at the shortest notice to make on-site investigations on your behalf. Scarching for any spanner in the works that could bring you nightmares in the future.

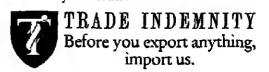
All the time and trouble we take pays off in the quality of the decisions we give you. Decisions which don't simply protect you against bad debt, but which play a vital role in your overall development strategies. For instance, we can check out the strength of the links in your distribution chain. Something which could easily make or break your export success.

Trade Indemnity is the leading British ctedit insurer, and is able to provide both

political and commercial risk cover in virtually every country in the world. And at a highly competitive price.

At Trade Indemnity, we'll make sure the deal you bring home is worth the paper it's

For more detailed information about how Trade Indemnity can help your export business, contact Trevor Byrne on 071-860 2577 or talk to your broker.



# Cocoa market pushes towards £1,000 a tonne

COCOA PRICES in London broke out of a three-week stalemete yesterday and made stroog gains oo the back of fresh investment fund huying in New York.

The second position March futures contract at the London Commodity Exchange hit its highest level since July 1988. reaching an intra-day peak of £997 a tonne before closing £23 higher at £994. It had not been above £991 during a day's trading since October 21.

The London market had heen waiting to see what hap-pened in New York last Friday. the first notice day for physical delivery against the December contract, which expires oo December 14.

The New York market had been weak in the run-up to the notice dey as it waited for funds to get out of their positions or roll them over. But in the event, Friday brought a notice for December delivery of a large number of contracts by e leading trade house, reported to be Goldman Sachs. As it was thought likely to hold on to the cocoa thus reducing supply.

this helped to boost prices. The London market took heart from the move early on and technical huyers moved in when the price breached £991.

"There hasn't been any indication in the London market that people were prepared to go short, even when New York was weak," said one treder. "Today the situation got a lit-tle hit enthused. With holidays in Brazil and Ivory Coast there was no origin selling, and there's some concern about shipments and quality of cocoa from Ivory Coast."

• LCE Coffee futures were also firmer, encouraged by new that the Brazilian government had hought 51,000 hags of beans (60kg each) for the export retention stockpile et Friday's auction, bringing the total so far to 76,500 bags. The January position closed

at \$1,227 a tonne, up \$17. Under the retention plan coffee producers are holding 20 per cent of their supplies off the market. Current prices are some 22 per cent higher than when the plan was agreed at the end of July, hut they remain well helow the 214-year peaks reached in September.

### Dutch zinc plant may have to close

By Kenneth Gooding, Mining Correspondent

THE BUDEL smelter in the Netherlands, which produces about 5 per cent of the western world's zinc, will have to close by the middle of 1995 if no agreement about waste storage can be reached with the Dutch anthorities by the end of this year.

The future of the smelter. which is jointly owned by Billiton, part of the Royal Dutch/ Shell group, and Pasminco, the Australian resources company. is threatened because it produces cadminm-containing hazardous waste called iarosite.

Pasminco has revealed that attempts are being mede to use low-iron zinc concentrates (an intermediate material) - if these can be found in suffi-cient quantities – to eliminate jarosite from the waste. Bndel, Pasminco and another Australian resources group, CRA, are working on this process. The Fl 310m (US\$163m) elready provided by Budel's shareholders to solve the jarosite problem will probably cover the

Pasminco elso said it expected agreement to he reached with the Dutch authorities about Budel's long-term survival before the year-eod.

### Uranium prices predicted to begin recovery within two years

By Kenneth Gooding

URANIUM PRICES, at present at their lowest-ever level in real terms, should start to recover in 15 months to two years, according to Mr Peter Wade, managing director of North Broken Hill Peko, the Australian resources group.

He also suggests that, although demand for iron ore is likely to pick up and the volume of sales by Australian producers should increase in the coming year, there was still room for a further fall in prices for ore supplied to hig Japanese customers.

Discussing the uranium market at a meeting in London with the Association of Mining Analysts, Mr Wade pointed out that last year mines in the west and former eastern bloc countries provided only 65 per cent of the uranium consumed by western utilities - the material is used solely to produce nuclear energy - and the rest was drawn from stocks.

"At the rate stocks are being depleted, they run out in 18 months to two years," he said.

that the Commonwealth of Independent States would continue to supply 100 per cent of its domestic market and 20 per cent of the western market.

Free market uranium prices peaked at US\$45 a pound in 1978 when it seemed oil prices were going sky high, but they have been languishing below \$10 for nearly five years. Overoptimistic predictions about nuclear power demand contributed to a build-up of stocks at the western utilities which brokers have been selling off. More recently, the hrokers have also had access to excess stocks in the CIS.

NBHP owns 66 per cent of Energy Resources of Australia. wblch operates the Ranger mine in the Northern Territory. Mr Wade that said prices well below production costs had forced ERA to cut hack production to a level where it was servicing only those long-term supply contracts not related to the free market

To fulfil its other contracts ERA had first bought uranium from brokers but more recently This calculation assumed had signed a five-year supply 13 per cent.

contract with Kazakhsteo. ERA was able to ship this uranium to US customers despite the present ban on CIS imports of the material because its contracts with American utilities pre-dated the han.

Mr Wade said the han provided a clue to where uranium prices might be heading hecause the US government had said limited CIS imports would be permitted when the market price reached \$13 a pound and all restrictions would he removed at \$21. He said the upper limit was probably too high because prices between \$16 and \$18 a pound would encourage new uranium

mines to come into production. Dealing with the iron ore negotiations. Mr Wade pointed out that NBHP was the fourthlargest iron ore producer in the world and had a Japanese partner, so it did not set the pace in the price negotiations with the Japanese. Nevertheless, he felt there was room for another price cut this year - hut it would he "a single digit" keting Board following its aboreduction, following last year's lition in September.

Ho.7 RAW SUGAR - LCE

10.69

Close

950 933

COCOA - LCE

10.51

10.82

\$30

Previous High/Low

350 920

Turnover 65 (137) lots of 60 tonnes.

High/Low

10.61 10.60

10.65 10.65

# Untangling Australia's wool problems "Illtit

Nikki Tait on an industry that needs all the help it can get after a slump in prices

TO SOONER had Sydney corralled the Olympic Games for the year 2000, than the cry went up: uniforms, for Austra-lian athletes and officials, should be made from wool.

Marketing nous, or desperation? Perhaps e bit of both for two years after a guaranteed pricing system for wool came to an end in Australia, the industry needs all the help it can get. In April, the real price of wool at auction slumped to its lowest level this century, and although matters have improved slightly since then, the outlook is anything but rosy.

In its latest quarterly report, for example, the Australian Bureau of Agriculture and Resource Economics forecast that average prices during the 1933-94 selling season would be below those of the previous year. Out on the hillsides, the number of sheep shorn this year is expected to be 156m, a 12.2 per cent drop from last

This is no small problem. In value terms, wool is still one of Australia's largest export cate-gories, and Australian sheep account for 30 per cent of the world's total wool production. The highly-fragmented industry, moreover, comprises about 65,000 individual wool growers, who are hurting hadly. Incomes have been squeezed, and stories of bank loan

defaults are rife.
The government responded to the near-crisis situation earlier this year, when it called in Professor Ross Garnaut, from Australien National University. In August, the Garnaut commission reported, and its recommendations were immediately taken on board in Canberra. As a result, legislation is passing through parliament. which - assuming no hiccups will further reshape the tattered industry.

The question is, will it really solve the sector's problems? These are basically two-fold. On the one hand, there is weak demand from Japan and Western Europe, largely reflecting recessionary conditions. The



The number of sheep shorn this year is expected to be 12.2 per cent down from 1992.

European Community cut imports of Australian wool by a fifth in 1992-93; Japan, by 23 per cent. China, the largest market for Australian wool last year, is a more compli-cated case. Demand has been increasing sharply, but there are concerns that the nation's tighter economic policies - in response to overheating - will mean that it becomes volatile

in the short-term.
Chinese import duties and tariffs, meanwhile, are high, ranging up to 100 per cent. On this score, wool-growers saw some signs of progress a few weeks ago, when talks hetween trade officials indicated that China might he willing to negotiate a reduction in return for support in its application to ioin the General Agreement on Tariffs and Trade. The discusston generated no concrete promises, hut was, in the words of one Canberra official,

"e good bonding session". But the supply and demand situation has heen compounded by the presence of the large wool stockpile - all 824,000 tonnes of it - and asso-ciated debt that built up under the guaranteed pricing system. As the Garnaut report noted, "the stockpile is almost as large as Australia's expected

1993-94 wool production. presence and its sale inevitably exert downward pressure on pricing, while generating costs in terms of storage and debt servicing".

n reality, sales from the stockpile over the past two years hy the Australian Wool Realisation Commission (which was set up for this pur-pose) have been fairly modest - and et July 1993, the stock-pile still stood et 693,000 tonnes hy July 1993. Nevertheless, its very presence, and the uncertainty surrounding the timing of sales from it, has been sufficient to depress the already lacklustre pricing situation. Just as the industry's prob-

lems are multifarlous, so were the Garneut Commission's solutions. On the trade front, it was emphatic that wool, woolrelated products, textiles and garments should be fully included within the current Uruguay round of Gatt talks and that efforts should be made facilitate exports, both to China and to Mexico, under the planned North American Free Trade Agreement.

On an organisational front, it suggested that the Australian Wool Corporation and the Wool Research and Developaround 240,000 tonnes. That would be "within the range of centralised stocks that a smoothly functioning futures market would be able to accommodate without disrup-

The advantage to this plan is that it tries to turn at least part of the stockpile into a useful plus. The downside is that Wool International must gear up for this new activity while administering the fixed schedule of sales, which some industry players suggest will further unsettle a market which strug-gling to match supply and

Some Australian wool-growers have also argued that if wool prices do not lift, the plan may not be viable - yet responsibility for the stockpile will have shifted to the industry,

regardless.
Not least of those unhappy with the proposed set-up is the Sydney Futures Exchange, which argues that a plausible futures market needs to be independent of both government and suppliers.
"It's e bit like asking Opec to

run an oil contract," comments

Not surprisingly, the SFE is ettempting to revitalise its lit-tle-used, existing wool contracts, and has been circulating a discussion document among members. But the exchange admits that while management of the stockpile remains uncertain and no sigremains uncertain and no sig-nificant forward market exists in wood, a viable futures mar-ket is unlikely to develop. But once the fixed stockable sales schedule is up and running, Wool international will be in business. "it's a case of chicken and egg," it says.

The Garmaut report, by contrast, suggested that there would be clear advantages in having Wool International tackle the futures market. There are. . . weaknesses on the Exchange - the absence of a capacity to make the con-tracts deliverable, and some international doubts about trading in commodities outside the main world centres," it concluded.

### UK dairy company makes premium offer to farmers

By Deborah Hargreaves

NORTHERN FOODS has announced that It will pay British farmers a premium of 1.2p a litre for their milk above the level set by Milk Marque when the country's market is freed in April. Milk Marque is the voluntary farmers' co-oper-ative set up by the Milk Mar-

higher than many farmers had expected and reflects Northern Foods' need for a steady supply of liquid milk, which commands higher prices than milk for processing.

"It's a very brave thing for them to do - I didn't think there was that amount of margin in it." said Mr Hugh Black, a dairy farmer in Herefordshire. "They must be prepared to lose a bit of money at first signed up enough farms to sup-The premium to he paid is because the margin must be ply its annual requirements of lians who recently retired as

fractions of pennies," he said. The premium contains a oneoff goodwill bonus to all producers of 0.5p a litre, which means that prices could drop slightly after the first year under the new arrangements. The Northern Milk Partner-ship, which has been set up by Northern Foods to buy milk directly from producers in the

new free market, has already

2hn litres. The group has 3;160 producers on its books representing 18 per cent of the UK's annual output.

ment Corporation be merged

into one statutory anthority. This would concentrate solely

on marketing promotion and

research, leaving matters like training to private industry.
The Australian Wool Industry

Council, another statutory

authority, would cease to exist.

versial element of the report -

and the legislation passing

through parliament - is a plan

to privatise the AWRC, under

the name of Wool Interna-

The privatised body would

have two objectives: firstly, it

would develop a range of wool-

hased financial mechanisms,

like futures contract; and

secondly, it would administer a

fixed schedule of sales from the

stockpile, retaining a balance

to support its financial instru-

None of this would happen

overnight. At the outset, Wool

international would be a gov-

ernment-owned organisation. Shares in it would then be

issued to growers in direct mo-

portion to stockpile levy pay-

ments between 1993-94 and

1996-97. However, by mid-1997.

when the privatisation would

be scheduled to take place, the

amount of wool in the stock-

pile should have reduced to

tional.

ments.

But by far the most contro-

Milk Marque has not yet set an official price for payment to farmers, but Mr Andrew Dare. chief executive, has suggested that the price could rise by 2p a litre or more above corrent prices of 22p a litre as supplies remain tight in the UK market.

HEATING OIL 42,000 US galle, conta/US galls

Latest Previous - High/Low

51.65

\$1.50 51.61

director of economies at the Milk Marketing Board said he does not believe Mile Marges will be able to affaith to pay farmers more than 25p to 25%p in the 1994 to 1996 near beting

Mr Williams' comments will add to the row about pricing in the free milk market, where farmers are hoping to see their margins improve. Mr Dare has large price increases.

五21

ART STATE OF THE STATE OF

### MARKET REPORT

The ALUMINIUM market led a general price fall at the London Metal Exchange yesterday afternoon, with tha three months delivery position ending after hours trading \$19 down at \$1,059.50 a tonne. Dealers said the market had opened on the defensive following its failure to breach resistance at \$1,080 a tonne on Friday and quickly lost ground under pressure from Far East selling and trade offerings. Speculative liquidation pushed three months COPPER towards the lower end of its recent ranga. Last husiness was at \$1,659 a tonne, down \$11.50 from Friday. ZINC prices drifted in early trading

### London Markets

SPOT MARKETS

D

51  $\mathbf{Va}$ (6(

Bl Be'

(32

Crude oil (per barrel FOB)(J	en)	+ or -
Dubai	\$14,10-4,17z	
Brent Blend (dated)	\$15.19-5.21	
Brent Blend (Jan)	\$15.81-5.83	+0.215
W.T.J (1 pm est)	\$17.04-1.06z	+0.24
Oil products (NWE prompt delivery per t	onne CIF	+ or -
Premium Gasoline	51T0-1 <i>T</i> 2	
Gas Oli	S170-172	+3
Heavy Fuel Oil	\$61-63	-1
Naphtha.	\$147-150	
Petroleum Argus Estimates		
Other		+ or -
Gold (per tray oz)	\$374.25	-0.95
Silver (per troy oz)-	452.50c	-1
Platinum (per troy oz)	\$374.05	
Palladium (per troy oz)	\$129.50	
Copper (US Producer)	80.0c	
Lead (US Producer)	32.75c	- 1.13
Tin (Kuala Lumpur merket)	12.05r	+0,3
Tin (New York)	217,50c	
Zino (US Prime Western)	Unq	
Cattle (live weight)	118.55p	2.39
Sheep (live weight):	85.29p	+3.94*
Pigs (live weight)†	71.71p	-0 89*
London daily sugar (raw)	\$254,49	-4.1
London daily sugar (white)	9279.5	-7.5
Tate and Lyle export price	\$281.5	-4.5
Barley (English feed)	Unq	
Malze (US No. 3 yellow)	£120.5	
Wheat (US Dark Northern)	£185.0	+10
Rubber (Dec)(9)	60.00p	
Rubber (Jan) V	60.25p	
Rubber (KL RSS No 1 Jul)	207.0m	
	201,0411	
Coconut of (Philippines)§	\$465.0	
Palm Oil (Molaysian)§	\$352 5w	-10
Copra (Phāppines)§	\$310.0	

E a tonne unless otherwise stated, p-pence/kg c-cents/lb. r-ringgt/kg. 2-Jen v-Dec/Jen u-De w-Now/Dec VLondon physical. SciF Rottendam. Bullion market close, m-Malayslan cents/kg.4Shee

2200.0 54.95c

vabeans (US)

hut found support helow \$950 a tonne for three months metal, which ended at \$952, down \$3 on the day. Three months LEAD spiked to \$17 a tonna in early trading, but profit-taking reversed the trend and although prices remained underpinned by recent consumer interest and an analyst's report of a tightness in lead concentrate eupplies it ended at \$412, up only \$1 on halance.

NIÇKE	EL con	tinued to	correct from	May	997	977	997 971	
an ove	rsold (	conditio	n and the three	Jul	994	977	994 973	
			ed away from	Sep	998	978	995 972	
				Clec	972	952	971 945	
ITIE 34	.ouu-a	-tonne l	evei.	Mar	977	959	976 952	
				May	961	966	974 963	
Con	peliqu	from Re	euters	Jul	984	400	975 960	
				Sep	990	977	975 967	
CRUDE	OfL - IP	4	S/barre	1 49P	774	211	373 307	
	Lates	st Previo	us High/Low			BBBFJIOTS OF	10 tonnes per tonne). D	ally price
Dec	15.4	15,49	15.51 15.38	for Nov	12 925.5	3 (926.09) 1	O day zverage	
Jan	15.83		15.90 15.73	15 906.	73 (907.3	41		
Feb	16.08		16.15 16.01					
Mar	16.28		16.33 16.23					
Apr	16.4		16.50 16.45	COHE	E - LCE			Shoraru
May	16.60		16.65 16.60		Close	Previous	Hgt/Low	
Jun	16.70		16.75 16.65				<u> </u>	
PE Inde			1917 2 19190	Nov	1212	1197	1215 1213	
				Jan	1227	1210	1228 1211	
Turnover	29100 (5	46301		Mar	1211	1799	1212 1201	
				May	1201	1161	1197 1138	
				. Jul	1200	1178	1186	
DAS OIL	- IPE		\$/tonne	Turnova	r 1710 G	1920) lots of	5 Increase	
	Latest	Previous	High/Low				ts per pound	lor No
				- 12 Com	p. dalty 6	7.53 (58.81)	15 day avera	ge 69.06
De:	163 00	161.00	163.50 162.25	(69.17)				
Jan .	162.00	160.00	162.50 161.25					
Feb	161.50	159.50	161.75 180.75	POTAT	OES - LO	Œ		Elase:
Mar	160.50	158.75	160.50 160.00					
Apr.	159.50	158 00	159.50 159.00		Close	Previous	High Low	
May	160.50	158 00	160.50 159.25	4	90.3	87.5	92 5 88 9	
Jun	159.75	158.50	160.60 159.25	Apr May	106.0	104.0	107.0 105.0	
A S	162.25		162,25 161,25	May	100.0	100	107.0 105.0	<u> </u>
Turnover	9539 (12	435) lots of	700 tonnes	Turnove	r 228 (23)	a lots of 20	lonnes	
SUGAR -	LCE		(\$ per fonne	FREIGH	IT - LCE		\$10/in	des pars
White	Latest	Previous	High/Low		Close	Previous	High/Low	,04 pos-4
Dec	276.70	279.00	218.70 278.00					
Mar	274.40	273.30	275.20 274.00	Dec	1315	1333	1315	
May	277.00	276.60	277.00	Jan	1315	1335	1315	
•	282.00	290.90		BFR	1315	1317		
lug Dat	270.00	269.00	262,00 281,20 270.00	Dames	. 15 .124			
~	¢11700	-00.00	21000	I OLUGAS	15  129			
Turmqver	1049 (25	711 Parts- V	White (FFr per tonne):					
Dec 1648	50 Mar	1630.25		GRADE	- LCE			€/tonne
TEA				Wheat	Close	Previous	High/Low	
	a Broker's	s Associatio	n reports, Improved	Nov	97 40		97.25	
			North Indians sold	Jan	33.55	100.50	100.50 39.4	E
			out prices for leaser					
			rwing quality. Bright	Mar	101.40	102 40	102.25 101,	~,
			Africans met more	May	103.35	104,35	103.35 103	
			or advenced 2 to 5	NOV	32 50	92 75	92.75 92.50	
pence.	Ceylons	met fair	demand al easer	Barley	Close	Previous	High/Low	
			and, Ceylons sold easier, Quotations:	Jan	103.60	103 85	103.85 103.	70
			medium 130p/kg.	Turnove	r, Wheat a	109 (245) Ba	rlov 19 (86)	

### WORLD COMMODITIES PRICES LONDON METAL EXCHANGE Prices supplied by Amelganisted Metal Tradings Kerb close Open interest Aluminium, 98.7% purity (5 per torne) Total daily turnover 88,315 lots Gash 1043-44 3 months 1064.5-85.5 1055.5-6.5 1078-7 1059-58.5 286,D12 lots Copper, Grade A (S per torme) Total delly turnover 63,552 lots 1638-39 1861.5-62.5 201,171 lots Leed is per tonnel Total daily turnover 6,307 lots Cash 400-01 3 months 414-14.5 396 417/410 395.5-96 410-10.5 25,012 lots Mickel (S per tonne) Total delly turnover 17,296loss 4535-40 4592-5 4582-85 4820-25 Cash 4585-95 3 months 4845-55 48,807 lots Tin (5 per torre) Cash 450-55 morths 4700-05 4680-70 4710-20 4750/46 Gash 934-35 3 months 952-52.5 937-8 954-5 LME Closing E/5 rate: SPOT: 1,4895 3 months: 1,4510 LINE AM Official E/S apot rate 1.4915 LONDON BULLION MARKE

Gold (troy oz)	\$ price	E equival	erit
Close	374.00-374	50	
Opening	373.40-373	.60	
Morning fix	373.90	250.839	
Alternoon fix	374.70	251,139	
Day's high	375.20-375	.60	
Day's low	372.50-373	.00	
Loco Lan Me	en Gold Le	nding Rates (Va	USS
1 month	2.70	6 months	2.89
2 months	2.70	12 months	2.71
3 топта	2.70		
Silver fix	Drittoy GZ	US cts ex	pulv .
Spot	302.70	451.75	
3 months	306.60	455.10	
6 months	310.25	458.55	
12 months	318.15	467.19	

GOLD COMS						
	S p	nee ee		E equivalent		
Frugerrand		00-37		251,00-	254.00	
Mople lea! New Sovereign		10-35 00-90.0		58.00- 6	P1 00	
THEN SUTHINGS	01.0			30.00	01.00	
TRADES OFTE	ONS					
Aluminium (39.i	%}	-	alis		Puts	
Strike price S to	uus	Dec	Mar	Dec	Mar	
1025		41	67	12	18	
1050		27	52	23	26	
1075		15	39	37	38	
Copper (Grade )	Ą	- 0	<b>3</b> 85	Puts		
1625		90	85	22	34	
1850		33	71	33	45	
1675		25	58	4r	56	
Coffee LCE		Jan	Mar	Jan	Mar	
1150		92	109	15	48	
1200		55	<b>B2</b>	31	71	
1250		34	61	57	100	
Cocce LCE		Dec	Mar	Dec	Mar	
8TS		75	133	-	15	
900		50	115	•	15	
925		27	98	2	22	
Brent Crude	-	Dec	Jan	Dec	Jan	
1500		42	_	51	55	

			Total	daily turns	ver 3,476 lots
680		30-33 80-82	4705-15	5 14	,189 lots .
			Total d	ally turnov	
_	PS	2.5-33			
8		0.5-51.5	951-52	6	404 lots
	_ 5 m	onthe 1.4	791	9 n	nonths: 1,4598
-					
	Ne	w Y	ork .		
-	-				
•	GOLD	Close	Previous	High/Lo	
	Nov	375.2	373.1	0	0
	Dec	375.7	373.6	376.0	273.3
	-Jan Feb	376.7	374.8 375.8	377.9	0 375.2
-	Apr	370 G	37T.A	377.9 379.7	377.5
	Aura	381.3	379.2 381.0	382.0 382.1	379.2 381.0
	Aug	385.0	382.9	0.	0
	Dec	357.0	384.9	387.0	385.2
•	PLATI		oy oz, 5/100		
•	<del></del>	Close	Previous	HighVLor	
	Nov	363.0 379.8	363,0 377,7	350.0	0 375.6
	Apr	381.3	379.1 379.0	350.0 351.5 379.0	377.0 379.0
	Oct	363.5	381.3	0	0
	SILVE	\$ 5,000 to	y oz, cents	troy oz.	
		Close	Previous	High/Lov	_
	Nav	455.0 455.5	450.7	0	0
	Dec Jen	455.5	451.2 452.7	456.0	450.0 0
	Mar	460.2	456 B	460.5	455.0
•	May	463.2	459.0 462.0	463.5 485.5	459.0 462.0
	Sep	489,4	485.2	0	0
	Dec	474.1 475.2	470.0 471.1	479.0	471.0 0
	Mar	479.3	475.2	Ö	ŏ
	HIGH (	STADE CO	).PPER 25,0	00 lbs; ce	nts/lbs
		Ciose	Previous	High/Lov	-
	Nov	74.10	74,45	74.20	74.10
	Dec Jan	74.10 74.30	74.75 74.95	74.50 74.50	73.85 74.25
	Feb	74.60	74.95 75.20	0	0
	Mar Apr	74.90 75.15	75.45 75.70	75.20 0	74.70
•	May	75.35	75.95	75.65	0 76.30
	Juni Juli	75.55	76.20	Û	0
	Aug	75.80 76.05	76.45 76.70	76.20 0	75.85 0
		OFTL (Light	42,000 U	S cells S.to	
		Litest	Previous	High/Low	
	Dec	16.74	16.72	16.85	16.62
	Jan .	1767	17,04	17.16	16.95
	Feb Mar	17.33 17.54	17.49	17.58 17.57	17.25
	Apr	17.65	17,64	17.65	17.65 17.65
	May Jun	17.90 17.98	17.78 17.92	17.84 17.56	17.74
,	Jul	15,05	18.03	18.66	17.85 18.04
	Aug	18.10	18.14	18.10	18.10
	Sep	10.20	10.25	18.31	18.15

Dec	51.30	51.01	52.45	51.10	·	. Close	Pi
Jan	52.10 52.80	52.26	52.50	51.90 - 62.45	Nov	679/4	67
	52.25	52.31	52.45	52.70	Jun Mar	086/4	66
Apr	\$1,40	51.65	51.70	51.70		092/0	68
May	50.95	51.01	S1.10	50.90	May	6944	66
Jun	50.55	50.66	80.65	60.40	Auc	091/B	86
Jul Aug	51,41	50.86 51,41	0	0.	Sep	-002/4	
Sep	52.45.	52.36	52.45	52.45	Nov	630/6	63
		as,\$/loranes			- SOY	ABEAN OIL	60,00
-	_				_	Close	Pr
	Close	Previous	High/Low		Dec	25.93	25
Dec	1199 ·	1151	1205	1127	Jan	25.99	25
Mar	1252	1191	1255	1183	Mar	26.11	25
May	1264	1200 .	1206	1216	. Jul	26.13 26.10	26
Jul Sep	1272 1263	1223 1234	1272 1275	1230 1240	Aug	25.84	25
Dec	1296	124r	1275	1270	Sep	25.17	25
Mer	1300	1256 .	0	0	Oct	24.50	24
May	1314	1266	1313	1300	SOY	ADEAN ME	AL 10
Jul ·	1329	1283 1296	1309	1309		Close	Pr
				0	- Dec	211.5	21
COFFE	E "C" 37,	500tbe; cen	te/fibe		Jan Mar	206.0	21
	Close	Previous	High/Low		May	207.0	20
Dec	73.85	72.90	73.95	78.10	Jul	200.1	20
Mar	76.80	75.70	76.80	76.00	Aug	206.3	20
May	78.40	77.36	78.70	78.00	Sep	199.0	20 20
Jul Sep	79.70. 51.48	78.70	79.85	79.30			
Dec	63,85	80,30	61.20 83.75	81.20	- MAL	E 5,000 bu	
Mer	88.80	85.30	0	0		Close	Px
SUGAR	WORLD	M1" 112 (V	O libe; cents		- Dec	270/0	27
	_			704	May	286/6 289/6	26
	Close	Previous.	High/Low		Jui	289/2	25
Mar	10.05	9.00	10.14	10.02	Sep Dec	273/0	27
Mey Jes	10.25	10.21	10.33	10.23	Mer	255/5	25 28
Oct	10.29	10.50 10.50	10.37	10.30		AT 5,000 bu	
COTTO	N 50 000	ibs; cents/R				Close	_
							Pre
	Close	Previous ·	High/Low		Deg .	343/6	34
Dec	58.76	58.36	68.65	56.51	May	301/0	321
Mar May	60.75	60.37	90.84	80.48	- 44	322/4	32
Jul	61,92 63,00	61.50 62.66	62.05	61.67	Dec	326/6	334
	63.00	62.80	63.10 63.15	62.85 62.85	. du	322/4	320
	63.15	62.87	63.23	82.90	LIVE	CATTLE 40	
	63.67		0	0			_
	64.35	0	64.25	64.25	_	Close	Pre
DRANG	E JUICE	15,000 lbs;	cente/fbs		- Dec	73.575	74.
	Close	Previous		<u> </u>	- Apr	74 <u>.226</u> 78.150	74.
			High/Low		Jun	72.825	73,
	110.50	109.60	111.25	110.25	Ang	71.675	71,
	115.06	112.60	114.00 115.50	112.75	Oct Deg	71,825 72,100	72. 73.
	117.25	118.80	11r,60	114.35			14.
	118.75	117.95 .	0 .	0	THE	1008 40.00	
	120.25	119,45	0	0		Close	Pre
	117.25	118,45	118.00	118.00	Dec	48.625	46.
	117.25 117.25	116.45 116.45	0	٥	Feb	48.075	48
		III	•	0	Apr Jun	47.700 58.000	47.
BIOCO	F3				Jui	52.175	52.5 51.5
	_		24 4-24		Aug	51.075	50.1
			18 1991 -		Oct Dec	47.100	46.9
	Nov 15	Nov 12	तक्सी बद्धा	yr ago		48.075	48.0
	1610.7	1616.2	7681.2	1662.6	PORK	<b>BELLIES</b> 4	0,000
DOW			1 1274 - 1	00)		Close	Pre
	Nov 12	Nov 11	moth ago	y 400	Feb	55.400	65.4
Spot	N/A	121.75	121.74	N/A	Mar	55,425	55.7
Futures	NUA	T34.19	125.53	N/A	May	. \$6,900 56,700	56.3
	<del>,                                     </del>				Aug	56,500	57,1 55,
				_			

	DYABEANS	6,000 by mirr,	Persta/60th bus	hel	Ű
_	Ckane		HighLow		
	ov 679/4		683/0	07160	Ξ.
	m 6864	582/G	691/4	678/4	
M	. 002/0		60840	554/4	
· Ju	my 803/4		099/4	686/6	
A			700/0 895/4	667/G .665/Q	
8	P -002/4	961/0	667A3	859/0	
No.			641/4	636/4	_
- 80	DYABEAN O	EL 60,000 lbs;	Cernos/fb .		_
	Ciose	Previous	Highlow	· ·	
, De			26,14	25.67	
,)= 8.6			26.20	23.76	
3.0		25.90 25.89	26.30 26.25	25.86 25.80	
Ju	. 26.10	25.65	20.25	25.00	
AL		25.55	26.00	25.60	
54		25.12 24.52	25.46 24.70	25.10 24.45	
_		EAL 100 tone;			_
. =	Close				_
=		Previous	High/Low		_,
. De		213.2 210.0	2142	209.7	
- 44	207 D	206.2	211.0	207.0	
M	y 206.7	206.9	200,5	204.8	
Ju		206.0	200.0	205.1	
Se		204.0	207.5	204.0	
Oc		200.5	200.0	196.0	
M	MZE 5,000 E	ei min; centricii	to bushel		
. —	Close	Previous	HgtVLaw		_
De	c 279/0	277/6	282/2	275/6	_
Ma	206/6	206/2	290/0	205/6	
Mi Jul		287/6	292/6	205/4	
Se	p 273/0	267/6 272/0	292/2	271/4	
De	C 255/6	258/6	259/6	257/2	
. 44		. 284/4	265/0 ".	263/4	_
W		bu mirc center	Oto-bushel		
_	Close	Previous	High/Low		_
De		343/4	345/4 -	349/0	
Mo		343/0	3446	342/0	ġ.
	322/4	321/0	332/0	321/0	-
. Sep	326/6	325/0	326/6	325/0	
dut		334/4	335/4	335/0	
_		0.000 lbs; cen		.°	_
-			2/bt .		_
	Clase	Providus	High/Low		
.=					
Dec			74.800	73,850	-
Fet	74,225	74.800	74.800 74.950	74.150	<u> </u>
Feb Apr Jur	74.225 78.150 72.825	74.800 78.825	74.800 74.950 76.700	74.150 76.100	<u> </u>
Feb Apr Jur Apr	74,225 78,150 72,825 71,675	74.800 76.625 73.175 71.800	74.800 74.950	74.150	<u>-</u> ·
Apr Apr Apr Oct	74,226 78,190 72,825 71,675	74.800 78.825 73.175 71.800 72.100	74.800 74.950 76.700 78.375 72.050 72.300	74.150 76.100 72.775 71.525 71.825	<u>-</u> '
April	74.226 78.190 72.825 71.675 71.825 73.100	74.800 76.825 73.175 73.800 72.100 72.130	74.800 74.950 76.700 73.375 72.050	74.150 74.100 72.775 71.525	<u>-</u>
Apr Jur Apr Oct Dec	74,225 78,150 72,825 71,675 71,825 78,100 E HOGB 40,	74.800 76.825 73.175 71.800 72.100 72.150	74.800 74.950 76.700 78.375 72.050 72.300	74.150 76.100 72.775 71.525 71.825	- ·
April	74.225 78.150 72.825 71.575 71.825 78.100 E HOGS 404 Close	74.800 76.825 70,175 71,800 72,100 72,100 72,130 000 fb; centurit	74.800 74.950 76.700 78.375 72.050 72.300	74.150 76.100 72.775 71.525 71.825	-
Fet Apr Jun Apr Oct Date LIV	74,226 78,190 72,825 71,875 71,825 78,100 E HOGS 40,0	74.800 76.825 73,175 71,800 72,100 72,150 000 fb; centurit Previous 48.775	74.800 74.950 76.700 78.375 72.000 72.300 73.250	74.150 76.100 72.775 71.525 71.825 78.000	
Fet April Juri April Oct Date LIV	74,226 78,150 72,825 71,875 71,825 77,820 71,825 78,100 E HOGS 40,	74.800 76.825 75.175 71.800 72.100 72.150 200 fb; centurit Previous 46.775 48.150	74.800 74.950 78.700 78.700 73.378 72.000 73.250 73.250 8 High/Low 47.100 48.560	74.150 76.100 72.775 71.525 71.625 73.000	
Fet Apr Jun Apr Oct Date LIV	74,226 78,190 72,835 71,575 71,575 71,575 71,826 778,190 Close 48,825 48,825 47,700	74,800 76,825 70,175 71,800 72,100 72,130 000 b; centarit Previous 48,150 47,825	74.800 74.950 78.700 78.705 72.300 72.300 73.250 8 HightLow 45.550 48.550	74.150 76.100 72.775 71.525 71.825 73.000 65.526 47.650	
Fet April Jun Jul	74,226 78,190 72,825 71,875 71,825 78,100 EHOGS 40, Close 48,075 47,700 58,070 52,1775	74,800 76,825 73,175 71,800 72,100 72,100 72,100 Previous 48,775 48,150 47,825 52,900	74.800 74.950 78.700 78.775 72.080 72.300 73.250 8 High/Low 47.100 48.560 48.250 53.225	74.150 76.100 72.775 71.325 71.325 73.000 85.325 47.650 52.300	1 1 1
Feld April Dec Peld April July Aug	74,226 78,190 72,835 71,835 71,835 71,825 78,100 EHOGS 40,40 Glose 46,825 46,825 46,825 47,700 58,000 52,178 51,975	74,800 78,825 73,175 71,800 72,100 72,100 72,100 000 fb; contant Previous 48,775 48,190 47,825 52,900 51,875	74.800 74.950 76.700 73.578 72.050 72.300 73.250 8 High/Low 47.100 48.550 63.225 52.325 51.259	74.150 76.100 72.775 71.525 71.825 73.000 65.526 47.650	
Fet April July Aug Oct	74,226 78,190 72,825 71,875 71,875 71,825 72,100 E HOGS 40, Close 48,075 44,076 51,000 52,173 51,000 47,100	74,800 78,825 73,175 71,800 72,100 72,130 000 8; centalt Previous 45,775 48,150 47,825 52,900 51,900 50,875 46,980	74.800 74.950 78.700 78.700 73.578 72.050 72.300 73.250 44.700 48.650 48.650 63.225 52.325 51.250	74.150 76.100 71.925 71.525 73.000 45.526 45.525 47.650 92.000 62.000 62.000 64.660	
Feb April Aug	74,226 78,190 72,825 77,825 77,100 E HOOS 40, Close 48,825 48,825 48,825 48,825 54,825	74,800 78,805 78,175 71,800 72,100 72,100 72,100 72,100 72,100 72,100 57,805 48,150 47,825 52,800 51,900 50,875 48,000	74.800 74.950 78.700 73.575 72.050 72.300 73.250 47.100 48.550 48.550 48.550 48.550 48.550 49.200 47.200	74.150 76.100 72.775 71.525 71.625 72.000 65.526 47.650 52.000 52.000 53.660	
Feli April A	74.226 72.826 72.826 71.675 71.826 73.100 Close 48.825 48.075 47.700 52.778 48.075 47.100	74,800 78,825 73,175 71,800 72,100 72,130 000 ft; centalts Previous 45,775 48,150 47,825 52,900 51,900 50,878 46,000 48,000 fts; ce	74.800 74.950 78.700 73.575 72.050 72.300 73.250 47.100 48.550 48.550 48.550 48.550 48.550 49.200 47.200	74.150 76.100 71.925 71.525 73.000 45.526 45.525 47.650 92.000 62.000 62.000 64.660	
Fet Apr Jun Apr Dec Fet Apr Jun Apr Jun Apr Jun Apr Jun Apr Jun Apr Pot	74.226 72.836 72.836 71.675 71.836 71.836 71.836 72.836 72.836 72.836 648.835	74,800 78,805 78,175 71,800 72,100 72,100 72,100 72,100 72,100 72,100 57,805 48,150 47,825 52,800 51,900 50,875 48,000	74.800 74.950 78.700 73.575 72.050 72.300 73.250 47.100 48.550 48.550 48.550 48.550 48.550 49.200 47.200	74.150 76.100 71.925 71.525 73.000 45.526 45.525 47.650 92.000 62.000 62.000 64.660	
Feb April 1997 April 1	74.225 72.825 72.825 71.675 71.675 71.825 77.825 78.100 64.825 46.825 46.825 47.700 58.075 51.875 47.100 64.875	74,800 78,825 73,175 71,800 72,100 72,130 000 ft; centalts Previous 45,775 48,150 47,825 52,900 51,900 50,878 46,000 48,000 fts; ce	74.800 74.950 78.700 78.700 78.575 72.050 72.300 72.300 73.250 84 High/Low 47.100 48.650 48.650 63.225 52.325 51.250 47.200 48.200 mtu/tz High/Low	74.150 71.170 71.170 71.525 71.525 71.525 73.000 45.525 47.650 52.200 52.200 52.200 52.200 47.650 47.650 47.650	
February July August Au	74.226 72.835 72.835 71.575 71.825 77.3100 E HOOS 40, Com \$48.035 48.035 52.775 51.075 48.075 48.075 52.775 53.000 53.000 53.000 53.000 53.000 53.000 53.000 53.000 53.000 53.000 53.000 53.000	74,800 78,825 73,175 71,800 72,100 72,100 72,100 72,100 Previous 48,150 47,825 52,900 51,900 50,875 48,900 Ex. centerit 48,800 Ex. ce	74.800 74.950 74.950 76.700 73.378 72.050 72.300 73.250 84.550 45.550 45.255 51.250 47.200 48.250 47.200 48.550 48.250 48.250 48.250 48.250 48.250 50.225 51.250 50.250 50.250 50.250	74.150 76.100 71.925 71.525 73.000 45.526 45.525 47.650 92.000 62.000 62.000 64.660	
Feb Pol	74.225 72.835 72.835 72.835 71.575 71.825 77.830 E HOOS 40, Close 48.625	74,800 78,825 78,175 71,800 72,100 72,100 72,100 72,100 72,100 65,200 65,200 65,200 65,200 65,200 65,200 65,200 65,200 65,200 65,200 65,200 65,200 65,200	74.800 74.950 74.950 76.700 73.378 72.050 72.300 73.250 84.560 45.560 45.560 45.205 47.200 48.560 48.560 48.560 48.560 48.560 48.560 68.500 68.500	74.150 76.100 76.100 76.100 71.525 71.525 71.525 73.000 45.200 52.000 52.000 46.600 47.900	

eld

the ler-om-

/aˈs

igb 4th

ool.

the

SOD

bby ritb

ing

:his

va.

raw

ion

and

lics our

t of

200

rith

ıtry

/ of

ıt's

sin

to

e of

for

FT-A ALL-SHARE

# Cautious start to new equity account

By Terry Byland, UK Stock Market Editor

THE NEW equity trading account, to be featured this week by the outcome of the Nafta vote in the US Congress and which will also take the stock market to the very brink of the Budget from the UK chancellor of the exchequer, made a cautious start yester day. Trading volume was around 23 per cent down from Friday's total and well below the everage levels of the past

The FT-SE 100 Index trod an erratic path, losing the 3,100 mark in early trading, then retrieving it with a gain that extended to more than 10 points, only to slide away again when Wall Street came in sharply lower in UK trading hours. At the final reading of 3,093.3, the Footsie showed a loss on the day of 5.8.

At the opening of the market, attention focused on the Sean overnight ticker, which reported the equity trades exccuted on Friday and identified as a move out of equities and into gilt-edged securities by a

UK insurance institution. The US securities house which took the equities trade. worth around £250m, had then covered itself by selling stock index futures on Friday, in what was probably the largest deal recorded in that sector. Yesterday's market was also

 $t,t \in \tilde{\chi}$ 

farmers

ु । अपुर

affected by the latest round of results from leading British companies. Although trading figures from British Airways and then from British Steel were not too far from expectations, both companies disappointed the market with unpromising comments on the

Poor trading volumes

non-Footsie stocks was also light, making up only about 46 per cent of the day's total. But with marketmakers quicker to mark down quotations in the second liners, the FT-SE Mid 250 Index continued to fall,

shedding 4.6 to 3.416.5. The outcome of the Nafta

TRADING VOLUME IN MAJOR STOCKS

and the fear of an international trade war. The UK stock market this week also faces a heavy list of important data on the domestic economy.

The high point will come tomorrow with the October Retail Price Index; while most UK securities bouses hope that showed a final total of only vote in the US congress trou- annualised inflation will 498.6m shares through the bles securities analysts remain at 1.8 per cent, some

Seaq network, compared with because of its significance for fear that it may have begun to Friday's 639.4m. Business in the GATT trade negotiations creep higher. Inflation is seen as the key to the chances for a cut in base rates around the time of the Budget speech at the eod of the month

Thursday will bring the latest average earnings statistics also a potential source of infla tionary pressure and the October unemployment figures. The same day also features the regular policy meeting of the Bundesbank and will inevitably prompt speculation of impending cuts in German

interest rates. Against this somewhat dangerous backclotb, fund managers and securities houses alike are now unwilling to take on beavy trading positions ahead

of the Budget The market was held back by a mixed performance from the pharmaceutical stocks fol lowing further allegations of malpractice by leading companies. Oil stocks, too, lacked supporters in London and the whole of the international sector looked dull at the close of the session.

	Account	Dealing	Dates
	Dealings: lov 1	Nov 15	110 - 29
	Decigration July 11	Nov 25	Dec 9
Lest 1	Seelings: on 12	Nov 28	Dec 10
Accou	nt Days ov 22	Dec at	Dec 20

	000%	Pice	change		mr.	Pice	Charge Charge		COLI	free	Change	Volume Ching De
SDA Grount	12,000		+12	Countrador	1,000		4	Londo	_ 664	127		Slebet 1,800 547 -6
COOK WINDSHALL -			-1	Congany	1,500		-6	LESS	1,800	175	41	Slough Esta 378 254 48
bet Febru	3.200	. 80	+4	De La Ros	1,000	754	_	48CT	1,500	466	_	SON (NY) A 585 481 -4
ded Lycne†	1,290	225	2	Discore			-	MR	_ 715		-2	Smith & Negation 2,000 1347)
- 7-mm	578	684		Eastern Book	72		-7	Married	_ 343		-1.	Srat Beecharit 4 100 402 -6/2
ggal Group) do Wiggitus escc. Bill. Foods	4,00	354	4	East Midwed Elect	_ 219	452	-4	Matte & Spencer!			412	Sold Seathern Ute.t _ 1.300 352 -7
	_ 🐃		-6	Eng China Clays	_ 348	414	_		59		-7	Smiths Inds 730 414
		222	45	Enterprise Off	_ 586		-7		1,400		-4	Southern Beaut 79 600 -9
es. Bit. Ports	112		-3	Expense Using			4	NFC†	_ 144		+2	South Wales Black 71 640
444			3	Floring	2700	176		Nativiant Berkf	3.300		-6	South West West 132 562 -8
AT most	4200			Foreign & Col. 17.	470		**		1,700	200	4	Saud 1782 Book 67 500 -4
	- 1,200	1252	12		2.500		-12	Hest West Water?	8,400		-1	Southern Water 198 551 -5
CC		23	3	Gen. Accident	2.500		rý.	HOCH WHEN WHEN T	- 254		-3	Standard Crarts   #56 1034 -9
oct	1,200		-3	General Bect	130		4	Northern Bect	19		•	Storetones 1,000 195
PF'	4,000		3	Chief	4200	226	-12		_ 517		4	
PB lode	35	256	3	Glycored Inc.	101			Horseb	_ 117		-7	TEN 283 164 44
	2000	464	eib	Grandet	- 101		*		2.500	942	41	TI Groupf \$17 382 +1
EPaid	2,100	014	41-2	Contract to	2,000				1,400	586	-2	TS8† 2,00 219 -4
H	\$,000		4				-4	Pillington	271	144	_	7avrac 651 133 -1
ok of Scotland			-6	GUST	1,400		4		504		4	7 m & Lyle 420 373 65
edise†-	4400			GIOX	- 44	505			2,000		-2	Taylor Woodrow 219 116
-	1,700		3	Guinness !	2,700 2,700		46	RMCf	3,000	200	42.	Teacet 4100 165 -7
ne Cardel	1,500	236	•	HOSEC (75p shaft	2.400	756	46 -15 <sup>1</sup> 2		711	650	46	Thomas West 127 517 412
min' -			<b>1</b> 1	Heranelsca A. The	- 2	- 200	-12-2	Pacel			-1.	
iots†	1,400		2	Hereout	2,700	276	34		1,000	845		
1	2,200	436	44	Hartsons Cooled	2/5		77		1400		# #5	Tradaignt House 458 \$6 1/2 Unicase \$10 372 4
2. Accordant	1,700		-	Had			Ĭ,		1.000		2	Union 310 372 -1
Can Aramet	4,000	207	3		3,300		3	Particial?	21	201	-	United Biocupy 1,400 32st
Made Clear	3000		7	44	164		7				-19	List Newscare
	182		ā	0	200	600	"		2800		3	Vectorer 67 574 -4
Made Should	8,900				\$10		3	RM Bi Scottandt			4	
= -	3,400			Johnson Mathew		474			950		4	
mak Castroff	7	736		Kinglisher	- #15	400					41	Welliamet 711 B64 -17
rico .	400	13h	2	Kark Base	- 615		.1	Sakeboryt		1218		Wester Water 449 630 -1
to a West	2,700		Ž1		5.00			Scottlet & Meu.†	- 847	400	-12	Whithward 'A'T 805 48
ABUTY SCHOOL			2	Land Securities	452			Scot, Hicho-Charl.	715	389		Williams Hope 1 1,500 325 -3
or Group	- 4	262	· .	Lecores	183			Scotish Fount	2 000		4	Wills Company 544 222 -1
cadost .	612		2	Land & General	201		4		201	715		Windey 515 166
4	- 012	7/1	ă		1.100			Secret	454			
eltre Communt			ž	Libyto Bent	1.400			Santonerd	261	185	1	
nera Orden	- 2700	504	*	LASMO	1,700					20		
Mar CHOIL —		201	•	Landon Blass	70		17		2.000			
	146	40		LORDON BRICK	_ /0	572	1		2,100	862	€	Zenacari
and on the tr	eding volu	me for	8 20k	ection of Alpha secu	ritios c	but d	rough	the SEAO extent v	restante	w und	1 430	pril. Trades at one million or more at
anded do	- Indiana		T-RE	00 Index constituent						-		

### **Properties** find \*support

SELECTED property shares advanced as James Capel, the London institutional broker, reiterated its bullish stance on

the sector.

The broker, which first turned positive a year ago, said it continued to recommend an overweight position because of what it believes to be the continuing improvement in the market fundamentals. In par-ticular, the broker notes that when rental growth begins, property will cease to be rated purely in terms of the cost ofmoney, but more in terms of the income growth potential. Capel is recommending Land Securities, which advanced 7 to 715p yesterday. While the broker is forecasting a net asset value of 647p this year, it said this could grow to 900p to 950p within three years. Elsewhere in the sector, Slough Estates climbed 8 to 254p and

### SmithKline active

British Land 3 to 401p.

There was a two-way tussle over SmithKline Beecham yesterday as a critical press article vied with good newe about one of the company's

products. The stock was under pressure on a selective piece of bro-ker comment, highlighted in a Sunday newspaper article, which suggested a aplit between Mr Bob Bauman, the chief executive, and Mr Jan Leschly, the chairman.

However, many pharmaceu-ticals analysts felt that any difference of opinion had been exaggerated beyond the bounds of credibility. One sea-soned observer said: "Undoubtedly they have a different

### **NEW HIGHS AND** LOWS FOR 1993

NEW HIGHS (67).

BRITISH FURDIS (1) These, 2pc B. '94,
AMERICANS (1) Meby Tech, GANADIANS
(1) American Burick, BREWISES (2) Burinwoo Marchew Caire, BLOG MATLS (1) Lishem (2, BUGISHESS BERVIS (2) SHS, Huschinson Whuttope, CONGLOWERATES (1) Heating Silpe Co., CONTG A CONSTITION (1) Campbel Armston, ELECTRICALS (3) Bully A Devinare, Histore, ELECTRICALS (3) Bully A (4)

Devinare, Histore, ELECTRICALS (3) Bully A (4)

Devinare, Histore, ELECTRICALS (3) Bully A (4)

Devinare, Histore, ELECTRICALS (3) Bully A (4)

Cade Cair., For, & Col. (81pc Cv '10, Inst. Till, James, JP Poolic Wit, Kone Liberal Wit, Inst. Library March, March Library March, Poolic Wit, Norther Asian Entry Inst. Spring Col., 19 Poolic Wit, Norther Asian Entry Inst. (3)

Col Wit, BREDIA (3) Angle TV, Surat, TR Fer Electric, Wha, MCTURS (3) Carriers, Ol. & Col. (81pc Cv), Surat, TR Fer Electric, Wha, MCTURS (3) Carriers, Ol. & Print, Inst. (4) Marches (1) Carriers, Ol. & Col., 19 Col., 19 Carriers, Ol. & Col., 19 Carriers, Ol., 19 Carriers, Ol., 19 Carriers, Ol. & Col., 19 Carriers, Ol. & C

background and different personalities, but I am completely confident that they have not had a rift."

Helping the stock was a statement from the company saving that trials comparing SmithKline's anti-nausea compound Kytril with Zofran, the rival product from Glazo, showed Kytril was more effective and popular with patients,

Glaxo was further affected by weekend reports that the company had sacked members of its sales force following an internal investigation into mishandling of the company's funds. The shares lost 12 to 642p. SmithKline "A" finished 6% lower at 402p ex-dividend.

### **BA** weaker

Results in line with expectations, but accompanied by a fairly cautious statement kept British Airways shares in negadrift at 397p in turnover of

Pre-tax profits came in at £235m, against £227m a year ago, while the dividend was raised to 3.18p per share from 2.93p 'previously. Analysts' forecasts ranged from 3.1p to

In the three months to September 30, 8.1m passengers flew on the airline's scheduled services, 14.4 per cent more than a year ago, with revenue passenger kilometres rising by 12.6 per cent. Cargo traffic rose 9.3 per cent.

Most brokers left their fullyear forecasts unchanged. Smith New Court reaffirmed its positive stance on the stock, highlighting the growth in premium traffic and the load trends.

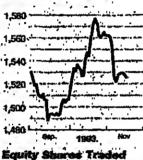
Bank shares were driven in both directions, apparently by broker recommendations. Royal Bank of Scotland was the sector's best performer, rising 8 to 364p, within 4 of the stock's all-time high, as the market continued to anticipate more good news from the bank's Direct Line insurance subsidiary, due to announce figures next week. One leading firm of marketmakers was said to have been an aggressive

buyer of the shares. Abbey National eased a shade to 403p in spite of some particularly heavy activity in the traded options market where one front line agency broker was said to have sold 1.000 "puts", equivalent to buy-

ing 1m shares. Barclays, up 6 at 582p, and Lloyds Bank, a shade off at 563p, were said to have been recommended by UBS, while Swiss Bank Corp was thought to have been the downside driving force in Standard Char-

tered, 9 weaker at 1034p. The insurance area of the market failed to arouse much interest ahead of today's third quarter numbers from General Accident which analysts forecast will show nine-months profits of around £230m against a loss of £37m last year. General Accident's shares eased a fraction to 691p while those of Commercial Union dropped 8 to 598p on 568,000 shares traded in front of tomorrow's

### FT-A All-Share index



Turnover by volume gradien).

third quarter numbers.

Results from British Steel prompted a volatile session in the shares as a positive reaction to improved profits and dividend turned negative after a downbeat statement from the management. The shares eventually closed 21/4 off at 1221/sp in

turnover of 8.9m. The market had little time to react to e statement by Tiphook – made a few minutes before the market closed - thet its losses would extend into the second half, that no final dividend would be paid and that it was in talks to sell its container division. The company also said it had made further progress in its restructuring talks with the banks. The shares added 3 to 98p.

Cable & Wireless shares were among the FT-SE 100's worst performers, slipping 11 to 488p on keen turnover of 2.7m, ahead of interim figures scheduled for Thursday. The weakness on the shares was said to have been prompted by a bout of sustained selling by US investment bank Goldman Sachs, although this was not confirmed. C & W shares were badly mauled a couple of weeks ago by suggestions that CITIC, the Chinese Government investment agency, was considering the sale of a substantial block of its 57 per cent shareholding, although this was said to have been denied

by the Chine authorities.

Amstrad was among the market's most active stocks, with over 12m traded in the cash market and the equivalent of 3.5m traded in the options market. The underlying shares edged up 1% to 53p. after 531/sp. BICC jumped late in the ses-

sion, closing 6 higher at 395p amid speculation of a big order from the US. The oil and gas sector did little more than mark time as

dealers pondered the recent weakening by international crude oil prices and the chances of a further bout of uncertainty ahead of the next Opec meeting, scheduled for November 23, Shell, roughly handled by

the market last week following results only marginally below best expectations, managed a minor 2 gain at 692p but Enterprise Oil dropped 7 to 445p. Lasmo, another to suffer sub stantial downside pressure last week rallied 114 to 1300.

Utilities lost ground across the board with regional electricity stocks featured by Eastern, 7 lower at 580p, and Midlands which dropped 7 to 596p. FT-SE 100 stock Southern

eased only 3 to 600p. Unilever rebounded from Friday's post-results fall, closing 19 ahead at 1105p. Kleinwort Benson and Strauss Turnbull both issued buy notes, while NatWest also took a positive

Shares in Euro Disney recovered after an initial fall, clos-ing 15 ahead at 385p. The stock was initally hit by bearish weekend press comments, but later rallied on some international buying interest, according to dealers. Walt Disney in the US yesterday had some of its debt downgraded partly es a result of last week's heavy losses at the French theme

Forte shares improved 4 to 231p ahead of an analysts visit to the group'e motorway service centre in France this week. Profit-taking clipped 5 from Airtours, down to 434p. Adverse press comment hurt First Leisure in the wake of last week's downgrade by the company's broker. The shares retreated 10 to 239p. Ladbroke Group continued friendless. down 5 at 163p in big turnover of 5.3m. US buying was said to have lifted Rank Organisation, up 11 at 846p.

### FINANCIAL TIMES EQUITY INDICES

	Nor 18	Nov 12	Hor 11	Nov 10	Nov 9	Sales Amer	High	* Low
Ordinary stars	2346.4	2343.7	2340.6	2342.7	2339.3	2004.0	2414.2	2124.7
Ord. city. yield	3.96	3.96	3.96	3.96	3.26	461	4.52	3.52
Carring you 4 felf	4.62	4.62	4.62	4.62	4.63	6.45	4.35	4.47
PVE radio not	27.11	27.13	27.14	27.12	27.09	19.79	22.30	12.40
P/E ratio cal	25.14	25.18	25.18	25.15	25.12	18.27	25.14	16.14
Bold Mines	243.2	249.6	244.1	235.3	232.2	68.89	249.5	50.0
"for 1993. Ordinary i Gold Mines index si Besis Ordinary shert	noe comp	Wedon higi	E 734.7 1	5/2/85- low	2 31/6/90 43.5 36/	- 2m 45.	4 26/6/40	
Ordinary Siture has	dy chang							
Dogge B-00	18 00 1	100 4	9 00 13	DA 141	Y 15 D	1800	Hinb	í ou

29,168 1847,4 30,928 819,5 25,017 717.4 27,586 340.5

London report and letest Stars index Tel. 0891 123001. Cells charged at 35p/mirets charp rate. 48p at all other limes.

### **EQUITY FUTURES AND OPTIONS TRADING**

DERIVATIVES traders opened the new equity account with a nervousness masked by strong technical trading in FT-SE futures and options contracts.

Turnover in Footsie futures was boosted by one bouse taking advantage of the differential between the contract which expires next month and the contract for March and rolling forward its exposure. More than 2,500 December contracts were sold and the equivalent number of March contracts bought.

The December contract rose through the morning to hit a high of 3,128, a premium of some 15 points above cash compared with its new estimated fair value of about 6%. It then trickled back to around 3,100 in late trading.

FT-SE options to take advantage of high implied volatility in the contract. Recent concerns over the direction of the underlying equity market had pushed implied or theoretical volatility up to 15% per cent by the start of trading. That uncertainty is not expected to go away ahead of the Budget.

But the nervousness was con-Dealers were also selling sidered slightly overdone yesterday and marketmakers were offloading puts and calls to pocket their profits. The implied figures eased to 15 per cent by the close.

Volume in traded options was just over 30,000 lots with FT-SE options contriboting 12,440 and Amstrad (3,482)

Conglomerate BTR slipped 5 to 354%p after Credit Lyonnais Laining reiterated its cautious stance on the stock at the morning meeting.

Zeneca Group was belped by report that one of its products had moved to the final phase of development following "particularly encouraging" results in phase two patients. The shares

added 11 at 765p. Yorkshire-Tyne Tees Television rose 13 to 218p on weekend newspaper coverage suggesting that LWT was interested in increasing its stake in the company. LWT fell 9 pence to 499p on the specula-

MARKET REPORTERS: Christopher Price. Peter John, Steve Thompson.

Other statistics, Page 33

F1-SE 10	•	1 1		-2F W	-	•					
3093.3 -5	.8	J L	3	416.5	-4.8			1524	.77	_2.7°	
	Nov 15	Day's change %	Nov 12	Nev 11	Nev 10	Year	Dividend yield %	Earnings yield %	P/E Ratio	Xd adj ytd	Teta Rotur
FT-SE 100	3093.3	-0.2	3099.1	3099.7	3098.5	2679.6	3 83	5.68	21.97	87.79	1128.7
FT-SE AMI 250	3416.5	<b>-</b> 0.1	3421.1	3434.6	3440.4	2595.7	3.56	5.81	20.95	88.18	
FT-SE LAED 250 ex lay 1 rusts	3412.9	-6.1	3417.7	3432.8	3441.1	2603.6	3,68	6.24	19.65	90.40	
T-SE-A 350	1539.6	-0.2	1542.3	1543.9	1544.0	1297.2	3.77	5.68	21.73	42.81	
FT-SE SmallGap	1762.91	-0.2	1767.11	1771,46	1771.77	-	3.12	3.86	35.55	39.85	
FT-SE SmallCag ex lav Trasts	1744.54	-0.2	1748.46	1754.12	1757.02		3.32	4.28	33.03	41.92	
FT-A ALL-SHARE	1524.77	-0.2	1527.48	1529.21	1529.31	1272.62	3.73	5.57	22.28	41.91	1159.5
1 CAPITAL SOCIOSIZIES	1054 79	-0.2	1056.49	1059.05	1061 30	774.061	3,87	3.97	32.96	30.95	1252.1
2 Building Materials(28)	1195.30		1194.75	1201.41	1203.35	769.33	3.63	2.88	50.44	32.11	1397.0
3 Contracting, Construction(29)	1014.49	-0.3	1017.67	1022.48	1023.79	678.82	3,12	1.23	100,08	24.23	1417.7
4 Bectfces(15)	2929.20	+0.7	2910.13	2903.98	2899.86	2143.77	4.62	3.62	33.92	105.80	1199.6
5 Bectronics(39)	2836.30	+0.3	2828.43	2525.73	2861 11	2168.87	3.09	5.86	20.88	68.48	
8 Engineering-Autospace(7)	459.82	-1.0	464.25	464.49	468.07	262.36	3.15			12.12	
7 Engineering-General(49)	822.00	-0.1	62287	627.99	6 <b>3</b> 0.28	443.91	3,48	5.48	22.23	15.80	
8 Metals 8 Metal Forming(\$)	470.33	-0.9	474.78	472.78	475.01	368.69	2,30	;		7.90	1491.2
9 Motora(20)	457.30	+0.3	455.82	455.79	455.47	324.28	4.84	4.01	34.62	19,41	1286.0
10 Other Industrials(19)	2054.07	-0.5	2064.04	2068.08	2057.19	1780.55	4.83	6.06	19.48	71.85	10/20
21 CONSUMER GROUP(240)	1661.84		1661 81	1661.68	1550.01	1643.71	3.59	6.79	17.83	43.43	974.8
22 Eremens and Distillers(28)	1819.46	+1.0	1802.18	1798.63	1793.38	1933 76	4.10	8.45	14.30	46.55	893.6
25 Food Manufacturing(24)	1323.07	+0.8	1312.57	1321.62	1328.96	1252.88	3.92	7.23	16.36	34.79	
26 Food Retailings17)	2325.33	+0.4	2316.80	2295.55	2302.23	2849.66	4.09	11,18	11.11	61,47	
27 Health & Household[31]	3536.78	-1.1	3567.62	3580.74	3546.43	4313.90	3,87	8.52	17.93	103.95	856.2
29 Hotels and Lagure(20)	1385.00	-0.1	1386.27	1387.92	1387 89	1133.12	4.25	5.93	21.10	53.05	
30 Media(34)	2194.74	-0.1	2197.40	2205.53	2199.48	1636.13	2.36	4.65	26.00	38.30	1227.1
31 Packaging and Paper(26)	671.35	+1.0	862.65	864.88	869.37	722.86	3,41	5.33	22.58	22.41	1147.2
34 Stores(39)	1301.23	-01	1302.70	7392.35	1299 09	1058.71	2.82	544	23.15	29.05	1150.3
35 Textiles(20)	846.06	-0.4	8-9.26	854.19	887.95	687.74	3.56	5.52	22.81	22.30	1164.B
O OTHER GROUPS(143)	1869.30	-0.2	1673.46	1671,58	1668.80	1366.99	3.94	6.86	17.55	44.97	1196.6
ti Business Services(27)	1815.04	-0.5	1622.94	1625.29	1623.09	1414.74	2.79	7.37	15.41	32.82	1084.5
Chemicals(24)	1517.75	+0.3	1512.58	1510.73	1523.31	1321.18	4.31	0.39		47,98	1101.6
Conglomerates(11)	1607.33	-0.6	1616.32	1616.30	1818.83	1333 90	4.7B	8.52	17.30	48.66	
4 Transport(16)	3204.65	-0.1	3209.41	3214.15	3233.90	2571,21	3.67	4.02	28.43	89.51	1797,8
15 Electricity(17)	2113.48	-0.2	2117.37	2125.06	2107.80	1528.86	3.78	11,10	11.16	57.84 34.68	1404.1
68 Telephone Networks(4)	2049.81	-0.5	2056.38	2065.73	2049.49 3590.80	1606.26	3,38	6.09	20.12		
C7 Vinter(13) C8 Miscallementa(31)	3568.19	-1.1	3606.67	3596.88	2538.25	3272.16 2335.36	5.01	12.12	9.11	115.65 83.58	1139.4
	2594,12	+0.6	2571.48	2552.76			4.41	7.09	16.89		
19 HOUSTHAL BROUP(587)	1524.65	-0.1	1526.54	1526.65	1525.75	1,337,93	3.78	6.24	19.56	41,15	
51 04 & 625(17)	2751.25	-0.7	2756.42	2784.68	2818.04	2146.08	4,10	5.81	21.53	89.73	12/7.1
59 '500' SHAPE INDEX(81.5)	1630.52	-0.1	1632.66	1634.65	1636.04	1412.73	3.60	6.19	19.77	45.05	1114.3
51 FEMANCIAL GROUP(91)	1190.02	-0.4	1194.96	1196,10	1192.95	833.20	3.64	3.23	45.73	34.09	1411,2
52 Banks/9)	1674,37	-0.7	1685.50	1678.72	1669.83	1152.63	3.21	3,75	36.72	45.27	1455.2
65 Insurance (Life)(6)	2033.64	-0.5	2044.74	2058.00	2062.00	1626.80	4.52	4.72	26.68	73.50	1201.8
66 Insulance (Composite)(7)	701.B9	-0.2	700.15	712.66	713.19	596.91	4.80	*	*	26.54	
57 Insurance Brokers(10)	881,75	-0.3	864,27	866.36	865.47	734.00	4,55	4.85	30.10	27.02	
68 Merchard Banks(5)	610.51	-0.3	813.19	820.66	818.27	459.36	2,91	7.17	17.10	16,79	1662.3
ES Property(30)	1078.58	+0.6	1070.28	1073.99	1073_18	616.13	3.77	3.74	35.09	24.85	1734.5
70 Other Financial(23)	440.07	-0.5	442.43	443.63	445.03	285.37	3.63	5.32	24,85	11.17	1503.4
71 Investment Inustr(111)	1724.88	-0.2	1727,48	1727.06	1717.03	1239.71	5.39	1.91	52.31	31.21	1320.2
29 FT-A ALL-SHARE@171	1534.77	-0.2	1527,48	1529.21	1529.31	1272.62	1.73	5.57	22.28	41.91	1159.9
laurly movement	5,00	10.00	11.00	12.00	13.00	14.00	15.00	16.18	Hon	May	Low/day
T-SE 100 3095.2	3103.5	3102.3	3105.2	3106.9	3107.3	3106.7	3103.3		310		3092.1
T-SE MM 260 3419.5	3420.4	3421.1	3420.9	3421.0	3421.7	3422.4	3421.6		342		3415.0

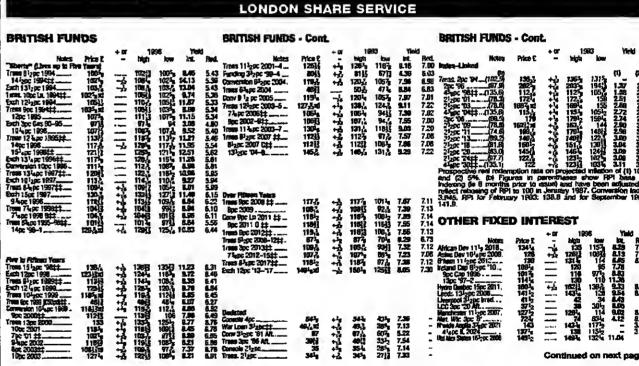
FT-SE MID 250

Actuaries Share Indices

FT-SE 100

House	Dpm)	9400	10.00	)1.00	12.00	13.00	14.00	15.00	18.50	Class	Previous	thange
Construe	1628.6	1929.4	1929.4	1929,4	1928.1	1928.1	1829.3	1929.1	1926.7	1927.2	1931.3	4.1
Kentha H	1066.1	1070.8	1070.9	1071.1	1072.4	1073.1	1073.1	1071.8	1063.6	1064.0	1076.6	-126
Water	1486.5	1487.7	1488.6	1484.4	1486.3	1488.4	1486.B	1483.2	1472.4	1472.4	1488.5	·1B1
Barrics	2047.8	2050.0	2048.9	2048.D	2044.9	2042.6	2042 B	2038.2	2035.0	2035.2	2048.7	-13.5

FT "SDO", it Sector PAE immer greater than 80 mm pot shown. It Values are negative.
This FT-SE (100, the FT-SE hits) 250 and the FT-SE Accusates 350 indices are completed by the London Stock Exchange and the FT-Accusates Al-Share in completed by the Pleasand Three Limited, both in conjunction with the instance of Accusates and the Facusty of Accusates under a standard pet of ground on the internectional Stock Endmange of the United Kingdom and Papulation of Internet 1993, O Time Pleasand Times Limited 1993, All rights now "The "Footnet" are pinkt judy marks and service marks of the London Stock Endmange and The Financial Times Limited 1993, All rights now "The "Footnet" are pinkt judy marks and service marks of the London Stock Endmange and The Financial Times Limited 1993, The FT-SE" and Commission of the London Stock Endmange and The Financial Times Limited 1993.



### **CROSSWORD**

No.8,307 Set by DANTE

ACROSS	
1 Publican with no end of	1 They
trade (6)	2 There
4 Broken leg bound by the	strais
staff (6)	(5.4)
9 Sort of tureen that is nei-	3 The C
ther one thing nor another	(3-3)
the one many me anome	F Warnt

10 Leash may become twisted around dog (8)

12 Destined to be admitted to the church (8) 13 The number increases in emergencies (6)

emergencies (5)
15 A certain agreement (4)
16 Settles, but ! need terms reasgotiated (10)
19 I'd hip and heart trouble from a serious lilness (10)
20 Provides encouragement for reaching neuropage (4) poaching, perhaps (4) Troops used in support (6) Loaded statement? (8)

25 Loaded statement? (8) 27 Gave the call sign (6) 28 Exist with just a part intercal object (6)

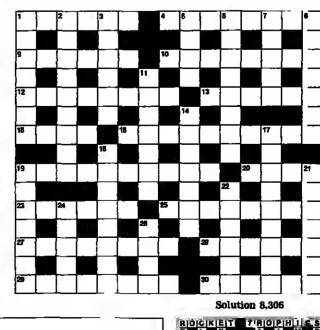
rre crackers! (7) e and back - but not ight back presumably

5 Vegetable in need of a plug, we hear (4) 6 Barrels found around ancient dumps (8)
7 Character of those who are different (5) 6 Vengeance makes sin seem

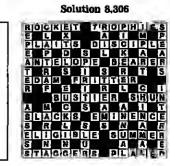
fatuous (7) 11 Young bounder (7) 14 Game that involves a form of quiz in a spelling test (7) 17 Dark horse at twenty to one possibly causing an upset (9) 12 A current measure in beer and scotch (5,3)

19 A sound measure (7) 21 Summoned for misappropri-28 Exist with just a part interest (6)
est (6)
29 A certain laxity allowed in angular measurement (8)
30 Remote sort of astronomical establish (6)
21 Summoned for misappropriation of rents (4,3)
22 Charge exorbitantly for a woollen coat (6)
30 Remote sort of astronomical establish (6)

missible (5) 26 Late, but if on time, not late



JOTTER PAD



FINANCIAL TIMES TUESDAY NOVEMBER 16 1993 LONDON SHARE SERVICE **BUSINESS SERVICES** Zaro Dile FV
Remitted int High... \$4"
Zaro Dile FV
Remitted judicia... \$4"
Zaro Dile FV
Remitted judicia... \$4"
Remitted judic 3 mer (1999) (19 MASS 2000 5 5 4 4 2 7 7 1 4 5 1 2 9 2 6 5 4 2 5 3 2 5 6 9 1 3 3 6 7 5 1 7 1 1 1 1 2 4 2 3 1 1 1 1 1 2 4 2 3 1 1 1 1 1 1 2 4 2 3 2 5 3 5 6 9 1 3 3 6 7 5 1 1 1 1 1 1 2 4 2 3 1 1 1 1 1 1 2 4 2 3 3 5 6 6 9 1 3 3 6 7 5 1 1 1 1 1 1 2 4 2 3 3 5 6 6 9 1 3 3 6 7 5 1 1 1 1 1 1 2 4 2 3 3 5 6 6 9 1 3 3 6 7 5 1 1 1 1 1 1 1 2 4 2 3 3 5 6 6 9 1 3 3 6 7 5 6 9 1 3 6 7 5 6 7 5 6 9 1 3 6 7 5 作品の 1977年 119 433 119 410 864 410 80 80 47 88 19 38 132 39 157 insurance Brokers 1.5 2 1.1 3.8 8.1 5.7 4.9 5.1 1.5 3.2 2.7 9 - 1.4 9.2 3.5 4.4 4.4 2.5 200.0 200.1 200.1 16.0 73.7 250.5 150.7 110.9 4,024 21.1 940.4 981.4 981.4 981.6 981.6 981.6 981.6 981.6 Nex 8 Aler S

11pc Or S

Acciner (A, L. SC)

Recisier (A, L. SC)

Recisier (A, L. SC)

Resistance (A, L. SC)

Resi Price 2134, 250 135, 250 135, 401, 1574, 245, 257, 268, 268, 268, 268, 272, 29 21245 80 116 255 116 2 ELECTRICITY 7 Mar. 17,045
399 1,598
399 1,598
494 1,247
495 757,5
494 1,247
497 153,4
497 153,4
497 153,4
497 153,4
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
497 1,599
49 Price 473 580 582 572 638 580 3996 612 193 621 454 394 622 600 640 583 616 + or 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 83 Met | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000) | 170 (1000 Prior 313 (7):44 (15):25 (15):45 (15): INSURANCE COMPOSITE #POSITE
+or 1993
+or 1993
-or 1993
-or 1994
-or 1995
-or | 1.0 | Service | 1.0 | Servic **CANADIANS** 2193, 259, 2143, 2143, 2143, 21725, 47, 21725, 2173, 2 MG Capen 5,721 1,233 1,186 - 7,121 811.1 5,72 3,225 3,677 22.2 975.9 1,433 4,266 560.3 3,187 1,731 + or light | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 1993 | 193 Alco R
Alco R
Alco R
Alco R
Alco R
Alco Colorida SAC
Anglo the MI
BASF BM
BOC SATIC
BTP ACC
BTR Mylex AS T
BRHEN VIX T
Court
T OF PT VIS
Countrality R
Count Price S 2007pg 13 1504pg 838pg 23/4 741pg 95 11553pg 1252pg 1252pg 1264gg 1264g high law 2007s 890 4p 1444 1114 1116 8769 17219 2854 2759 4459 11229 112 ELECTRONICS BANKS 

等において、はたいでは、大型のでは、「Manager Manager M

reholy

1a

.arsh

o declared

rnment in their own imed hun-ear, but the ıas under / and comi Moldova's

isia, which separatists ad through Inion's 14th ı Tiraspol, ital . rt of the one reason parliament, ation with unst joining

ient Mircea the parlis-try that this ead to ecor Moldova, st of its raw er cent of its mic unior Russia and et republics ept that our

yans never the country ong policy of the east". vernment's prochement o resolve the Dnestr. h, in spite of g support for rattle against

remarkable 1 13 billion Sun Life is 27 percent tarket. This fices in the on pounds, ted in the round 400 siness and a valuation alse of the

is Capital 1 in Capital n shopping the first to t was based frica. I am f our retail

ong centres.
estment —
Counties'
sing centre,
rople and a
reased flow
ide to now
in the UK.
some years
norm with
or reginnal spaces to n said become sers we are in any point

loping your of insurance ally the UK or ability to to all those d in the US

developing possibly the li has only and we think ansequently,

urg 2000

The last framework

The last of

b D

> 51  $\mathbf{v}_{\mathbf{a}}$ (60

Bl Be! (32

FINANCIAL TIMES TUESDAY NOVEMBER 16 1993 35 FT MANAGED FUNDS SERVICE telephone. Call the FT Cityline Help Desk on ( 071 ) 873 4378 for more details. Lattrerilan Life pito - Coords.

terment Prices - Life pito - Coords.

terment Prices - Life - Coords.

terment Prices - Coords | 141.8 | 149.2 | 149.2 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149.3 | 149. 33-32, Perrymount for Arterican Bag Set & Dep Fd Belanced Bag Set & Dep Fd Belanced Company of the Person of the P UK Egudy Sell of Association (Control of Association ( 8778 +25 196.5 -08 197.7 +0.9 3168 +0.7 4701 -0.9 2008 -0.7 3220 +0.1 2050 +0.7 2550 +0.7 2560 +0.7 Final Name of State o | Consolidated Life Agests | Figure 1 | Figure 2 | Figure 2 | Figure 3 | Figu Entropean Gasely 144.2 (1988)
US tector 150.1 (1988)
US tector 150.1 (1988)
Entropean loctor 121.1 (1988)
Entropean loctor 121.1 (1988)
Entropean loctor 121.1 (1988)
UK tector 1481 Indian 1791
UK tector 1481 Indian 1791
UK tector 1 **INSURANCES** AXA Spelly & Law Life Amore

Another Read, Fish bycothe

SX, Codilles Sey S

SK, Codilles S

SK, Codilles Sey S

SK, Codilles S

SK, C For Profile 130 & Penn Just Scottlers Provident Prosperity Life Assurance Ltd 1 Sessions rise Sq. Mangatons ME14 1Ex Pinn Department 25 De | 1847 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 402 | 1734 | 1840 -49 1833 -33 1838 +1.8 1748 +1.2 1744 +0.2 1745 -4.1 100.1 112.3 44
112.4 112 318.7 32.1 4.8 318.4 22.4 4.1 318.4 22.4 4.1 318.4 22.4 4.1 318.4 22.1 4.1 318.4 22.1 4.1 318.4 22.1 4.1 318.4 22.1 4.1 071-332 8000 | 13 Charleton Sq. Edinbergh | 13 Charleton | 13 Charleton | 14 Charleton | 14 Charleton | 15 Ch

·sh eclared it from nent in but the ig of the nd comi, which paratists through l". of the thle lobby ion with , that this d to ecocent of its and he aic union pt that our but part of ition with the country rochement ar to have resolve the

e President clal visit to 1, in spite of support for

d remarkable to 13 billion as Sun Life is of 27 percent 1 market. This offices in the illion pounds, lected in the 1 around 400 business and 4y a valuation c value of the less is Capital less is Capital less is Capital

tess is Capital leed in Capital own shopping eight leading e of the first to high was based in Africa. I am so four retail poing contressions and the Countres in people and a micrased flow whereaft is now whereaft in contrasted flow whereaft is now whereaft in capital contrasted flow whereaft is now whereaft in capital contrasted flow whereaft is now whereaft in capital c

If & Countries to people and a increased flow alexade is now enter in the UK. ale some years the norm with ar, for regional king spaces to a n. could become hoppers we are front zay point I.

developing your
ind our insurance incipally the UK: in our ability to
on value all those blished in the US

se in developing UK is possibly the intries. It has only k, of and we think er. Consequently, vities.

unneshurg 2000 08-2104 403-3171 530 SA

51  $\mathbf{v}_{\mathsf{z}}$ 

#4 ΒĮι Be: (32

4.34

THE REAL PROPERTY.

ALIEN DE

Large San P & .

E325, 10

A SECTION OF 

2 - 3-7 - 2-7 · 2

\_\_\_\_\_\_

\_\_\_\_ and the second ne way were pro-

7a

arsh

30 declared ident from rnment in their own

imed hun-

nents

ear, but the itting of the has undery and comd Moldova's ssia, which nd through Jnion's 14th n Tiraspol, ort of the one reason cation with ainst joining h of Independent Mirces I the parliaatry that this lead to ecoor Moldova. ost of its raw

per cent of its tomic union Russia and riet republics tember :cept that our ng but part of puntry's econ-

it says the fication with at the country rong policy of the east". overnment's pprochement to resolve the ıs Dnestr. oris Yeltsin fficial visit to ath, in spite of ng support for battle against

ed remarkable n to 13 billion
as Sun Life is
of 27 percent
h market. This
offices in the illion pounds. lected to the f around 400 business and dy a valuation

c value of the ress is Capital lved in Capital own shopping eight leading e of the first to uch was based h Africa. I om s 11 out retail oping centres. investment — L& Counties

opping centre, n people and a increased flow kestide is now nire in the UK. Le some years he norm with oppers we are from any point

d our insurance cipally the UK n our ability to 1 into all those ished in the US

in developing (is possibly the ries. It has only of and we think . Consequently, ies.

ювиц 2000 -2100 3-3171 ) SA

MONEY MARKET

TO & Co

1 436 2375 1 4581:

**Money Market** 

**Trust Funds** 

Sept Fund 5.54

**Money Market** 

**Bank Accounts** 

- 334

6.50

Treat Bank Ltd

ink of Scotland

accions Prima Account H.I.C.A.

提出 强

4.125

温透流

2.788 4.314 2.000 4.000

1.00 Mm 4.00 Mm 5.71 Mm 7.00 Mm 7.00 Mm 7.00 Mm

5.90 Mith

# Dollar squeezed higher

writes Conner Middelmann.

Following several days of slippage against the Japanese currency, the dollar sank as low as Y105.50, where many traders had expected to see central bank intervention in support of the US currency.

A substantial huy order from a large US bank and unsubstantiated rumors that the US Federal Reserve was huying dollars put an ahrupt halt to the dollar's slide and caused it to jump higher, hitting an intra-day peak of Y107.05. Further huoying the dollar

was a siew of strong data: capacity utilisation at the highest level since August 1990 at 82.4 per cent, as well as stroog industrial production, business sales and inventory figures.

However, dealers say the dol-lar-yen exchange rate is likely to remain volatile ahead of tomorrow's vote in the US congress over the North American Free Trade Agreement (Nafta) and Friday's meeting in Seattle between US President Bill Clinton and Japan's prime minister Morihiro Hosokawa. The Nafta vote still looks a close call and if the pact is rejected that would hit not

£	iN	NEW	Y	ORK
 	T			Previ

Nov 13	Latest	Previous Close						
E Spot 1 month 3 months 12 months	1,4875-1,4885 0.33-0,32pm 0.83-0.81pm 2.49-2.43pm	1.4845 - 1.4850 0 33 - 0 32pm 0.83 - 0.61pm 2.50 - 2.45pm						
Forward premi	Forward premiums and discounts apply to one US							

### STERLING INDEX

		Nov 15	Previous
8.30 am 9.00 am 10.00 em 11.00 am Noon 1.00 pm 2.00 pm 4.00 pm		51.1 51.1 51.1 51.1 51.1 51.1 51.2 51.2	80.6 80.5 50.2 80.8 80.8 80.9 80.9
CUR	REN	CY RAT	ES
Nov 15	5.mk 후 1388 축	Special Octoring Figure	European † Correscy Unit

CURRENCY MOVEMENTS				
Nov 15	Bank of England Index	Morgan Guaranty Changes		
Sterling U.S Dollar U.S Dollar Lanadkan Dollar Austrian Schläling Belgian Franc Benksh Krone O-Mark Swiss Franc Dutch Guilder French Franc Ura	81 2 66 1 91 3 114 9 111.7 124,8 113.0 119.7 106.9 76.7	-24 64 -11,30 -10,03 +16 74 -1 881 -32,53 +21,90 -4 66 -36,90		

Nov 15	3			5
Argentina	1.4890 -	1.4895	0.9985	. 099
Australia	2.2780 -	2.2800	1.5275	- 1.525
Brazil	297.835 •	297.850	188 755	. 199.7
Finland	8.6965 -			- 5.653
Greece	360 970 -	361,400	242,100	. 242
Hong Kong .	11.5185 •	11.5195	7.7250	· 1.726
ran	2522.75	2525.75	1692.00	<ul> <li>1684</li> </ul>
Corea(Sth)	1203.25 .	1203.40	807.000	- BUT.
Current	0.44415 -	0 44490	0.29790	0.293
uvembourg			36.05	· 36.15
Malaysia	3.7965 -	3.7975	2 5 4 6 5	· 2.54i
Merden		4.9095	3.2050	- 3223
N.Zeskand		2,7700	1.8550	<ul> <li>1.857</li> </ul>
Saud Ar		5.5950	3.7510	· 3.752
Singapore .	23755 -			- 1.59
SA (Cm)		5.0125	3.3590	- 136
S.Af (Fit)	6.5155 -	6.5305	4.3700	- 4.380
Talwan	39.95 -		26,80	
JAE	5 4760 ·	5,4770	3,6725	

A short-squeeze pushed the dollar sharply higher against the Yen in late London trade, Mexico and Canada but also the US dollar since it would be seen as a major defeat for the

Clinton administration.

The weakness of the Canadian dollar prompted intervention by the Canadian central bank, which bought Canadian dollars for US dollars around C\$1.3245, dealers said. The Canadian dollar closed in London around C\$1.3240.

The D-Mark weakened against the dollar and some European currencies on widespread expectations for a substantial reduction in the 15-day rate for securities repurchase agreements today. Most dealers expect the lowest-accepted repo rate to ease hy eight to 10 basis points from last week's 6.38 per cent. The dollar closed at DM1.6900, hut rose as high as DM1.6950 in late London inter-bank trading.

The Belgian franc received a small lift from widespread

hopes that the government close to agreeing a new austi ity package. It closed BFr21.35 against the D-Mar after BF21.37 on Friday.

Sterling profited fro D-Mark weakness and la week's stronger-than-expect trade data and ended DM2.5175, up one pfennig from Friday's closing. Against the dollar, it advanced modestly to \$1.4895, from \$1.4830 on Friday.

In Spain, a higher-than-expected October inflation num-her caused the currency to weaken as traders feared that higher prices would lead to tougher demands in the country's ongoing wage restraint talks. The Spanish currency ended at Pta81.25 against the D-Mark, after Pta80.78 on Fri-

day.
Meanwhile, the Italian lira remained heset hy political worries ahead of Sunday's municipal elections. The lira ended at L984.5 against the D-Mark, after L979.5 on Friday.

	Ecu Central Rates	Currency Amounts Against Eco New 15	% Change trom Central Rate	% Spread vs Weakest Currency	Dhyrgands Indicator‡
Ach Guilder	2.19672 1.94964 0.808628 154.250 192.850 40.2123 8.53883 7.43679	2.15067 1.81605 0.805724 155.776 196.083 40.9076 8.67386 7.65294	-2.10 -1.72 -0.36 0.89 1 67 1.73 2.06 2.91	5.11 4.71 3.26 1.90 1.21 1.18 0.83	- 2 -7 -11 -13 -17 -20

tanges are for Equ. I confide that reads; the percentage difference be able on permitted percentage devia adjusting values only. Divergence 25% band between the Butch Gell	etween the actual manufer of the currency's included one crotespine	river and Ecu centre market rate from	al matos for As Ecucani	a currency.	and me
POUND SPOT -	FORWARD	AGAINST	THE	POUN	D
Dow's				Three i	%

Nov 15	Day's spread	Crose	One month	DT	Three monits	p.e.
	10 0175 - 10 0575 1 0560 - 1 0605 2 5180 - 2 5200 254.75 - 258 50 203.15 - 204 85 2464.00 - 2455 00 0 7200 - 11 0000 8 7425 - 0.7750	10.9275 - 10.9375 8.7450 - 8.7550	0 33-0 32cpm 0.28-0.22cpm px-l-gcts 13-1 i cdt 13-2 2-credit 0 95-0 97 cts l-y-apths 11c-190cts 6-7 i acts l-y-cots 15-2 l-y-cots 15-2 l-y-cots l-y-gcts l-y-gcts l-y-gcts l-y-gcts l-y-gcts l-y-gcts l-y-gcts	2.60 1.527 -0.35 -0.468 -0.610 -1.37 -1.37 -1.33 -1.37 -1.37 -1.37 -1.37	0.82-0.79pm 0.70-0.88pm 0.70-0.88pm 57-48pb 51-4-1995 11-4-1995 201-21196 20-2285 101-21196 20-2285 1-1-1-1991 1-1-1-1991 1-1-1-1991 1-1-1-1991 1-1-1-1991	2.11 -0.33 -0.67 -0.67 -0.58 -0.58 -0.58 -0.58 -1.14 -1.14 -1.87 -1.14 -1.15 -1.16 -1.16 -1.16
cu		1,3130 - 1,3140 he end of London trad	0.12-0.1609s ing. Six-mouth for	-1,28 ! ward colla	0.41-0.49ds   1 46-1.41pm . I	-1,37 2 Morra

Nov 15 Spread Class	One month	2.1	Three	pa.
1,4975   1,4925   1,490   1,	0.41-0.38cm 0.11-0.13ads 0.15-0.48ads 17.03-19.00cds 2.75-3.10cmes 0.47-0.48cds 1.3-128ads 78-0.83cmeds 1.20-1.85cmds 1.20-1.85cmds 1.20-1.85cmds 0.06-0.08ypm 0.15-3.48cmds 0.17-0.20ads 0.17-0.20ads	2841 1.094 1.094 1.593 1	0.82-0.78 pm. 1 03-0.98 pm. 1 03-0.98 pm. 1 03-0.98 pm. 1 25-0.98 pm. 1 19-1.25 dm. 1	2.18 2.86 2.57 -5.56 -2.56 -2.56 -2.56 -2.75 -2.88 -2.11 -2.17 -2.

EURO-CURRENCY INTEREST RATES							
Nor 15	Shert	7 Days notice	ปีกง ฟันกลา	Three Manuta	Morana Six	One Year	
Serting US Octor Can Oper Can Oper Outh Guiger Sydes Franc D-clark Franc Beigtan Franc Danish Ropes Auth Sydes Sconish Repea. Sconish Pesets Danish Pesets Danish Pesets Danish Pesets Danish Pesets Danish Pesets Danish Pesets	574 - 574 374 - 374 474 - 474 475 - 474 675 - 674 7 - 674 974 - 974 279 - 274 372 - 275 372 - 275 373 - 275 375 - 275 37	513 - 513 414 - 6 419 - 649 614 - 614 614 - 614 615 - 614 616 - 614 617 - 614 617 - 614 618 - 614 61	133 - 344 -	543 - 512 34 - 343 45 - 545 64 - 643 64	532-54-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-	512 - 516 34 - 314 412 - 4 514 - 51 514 - 4 515 - 514 516 - 516 517 - 516 518 -	

sian SSing panish Pesata pringuese Ecc	31 <sub>2</sub> · 21 <sub>2</sub> 95 <sub>1</sub> · 91 <sub>3</sub> 12 · 111 <sub>4</sub>	312 · 212 914 · 812 1174 · 1173	31 <sub>2</sub> · 21 <sub>2</sub> 05 <sub>3</sub> · 93 <sub>4</sub> 12 · 115 <sub>8</sub>	312 - 314 114 - 113	7-1 - 7-4 4 - 3 9-1 - 87-1 11-1 - 107-1	414 - 31 811 - 8 1038 - 10
ong term Eurodollars	tino years 4%-	414 per cent the	r US Dollar and	j per cent; four	years 54,5 pe	cent five year
Ng-54e per cent nom	Inal. Short term	rates are call to		Japanese Yen; (	others, two days	notice.

			EX	CHA	NGE	CRO	oss	RAT	ES_			
Nov 15	2	\$	DM	You	F Fn	S Fr.	N FL	Lira	CS	B Fr.	Ptu.	Ecu
£	1	1.489	2.517	158.7	8.750	2230	2.327	2478	1,971	53.75	204.5	1.31
	0.672	. 1	1 690	100.0	5 576	1.491	1.099	1684	1.324	36.10	137.3	0.88
DM	0.397	0.592	1	63.05	3.47B	0.882	1.123	984.5	0.783	21,35	81.25	0.52
YEN	6.301	9.382	15.86	TOOD.	55,14	13,99	17.81	15614	12.42	338.7	1269	8.28
F Fr.	1.143	1.702	2877	101.4	10.	2.537	3.231	2832	2.253	61.43	233.7	1.50
SFL	0.450	0.671	1.134	71,40	1941	1	1.273	1118	0.888	24.21	92.12	0.59
N FL	0.354	0.527	0.890	56.14	3.095	0.785	1	876.5	0.697	19.01	72.34	0.46
Ura	0.404	0.601	1.018	64.04	3.531	0.896	1.141	1000	0.795	21.69	82 53	0.53
CS	0.507	0.755	1.277	80.52	4,439	1.126	1.434	1257	1	27.27	103.6	0.66
6 Fr.	1.860	2.770	4.683	295.3	16.28	4 130	5.260	4610	3.667	100.	380.5	244
Pta	0.489	0.728	1.231	77.60	4.279	1.096	1.382	1212	0.964	26.28	100.	0.54
Ecu	0.781	1.133	1.916	120.8	8.659	1.639	2.151	1886	1.500	40.91	155.6	1.

	1377E 13	LITTE LOOK SELT PUTURES OPTIONS 250,000 64ths of 100%							
is ter- at rk,	Strike Price 112 113 114 115 116 117 116	Calls 30 Dec 2-49 1-51 0-90 0-22 0-05 0-01	3-02 2-24 1-53 1-23 0-63 0-45 0-21	Puts-ed Des 0-03 0-05 0-14 0-40 1-24 2-16 3-18 4-10	itiements Ltar 1-00 1-22 1-51 2-21 2-61 3-43 4-29 5-16				
om ast ted	Previous (	rotume o	pesi, Cath let. Cath S OPTIONS	6962 Pub 16147 Pub	1332	,			
at	Strike	alabs of 1	00%	Puta-as	ttlements				

FINANCIAL FUTURES AND OPTIONS

LEFFE BURD SHIES FRANC OPTIONS SPR 1m points of 100%

CURRENCIES, MONEY AND CAPITAL MARKETS

- 1	93325	4.04	1-486	•	u
	9350	0.43	1.13	0.01	0.01
	9375	0.20	0.89	0.03	0.02
	9400	0.05	0.65	0.13	0.03
	9425	0.02	0.43	0.35	0.00
	9460	0.01	0.25	0.59	0.13
	9475	O	0.13	0.83	0.26
1	9500	Ō	0.06	1.08	0.44
		-abone t	ntal Cath	7787 Puts	G700
		APPENDIX N		242492 Pu	- 117:44
	PERSONAL PROPERTY.	ISA 9 INCH	#E G86	CHAMBE PU	S 117122
- 1	LOND	ᅝᅝ	PPE)		
- 1					
		CHAL BRI		•	
	\$50,000	32pds of	100%		

	Dec		114-30	114-22 114-03	114-22 714-00
		ed volume			6518)
	6% NGT	00,4L 699 00, 100ths	MAIN GOVE of 100%	. 20KG *	
	Dec		High 100.03 100.10		Prev. 96.67 99.74
	Previous Previous	dey's op	95833 ( en lnt. 18	19674) 38977 (18	0434)
ı	6% NOTE	OHLAL MED ONL) OMEZ	0,000 100	GERBUAN the of 100	SOYT.
ı	Dec	Close 102.77	High 102,86	102.69	Prev.

	Dec 102.77 102.86 102.89 102.80 Mar 102.93 102.78
	Estimated volume 2886 (2026) Previous day's open int. 24245 (24151)
	6% NOTIONAL LONG TERM JAPANESE COVT. BOND Y100s0 100ths of 100%
	Close High Low Dec 114.74 114.86 114.74
	Mar 113.96 114.13 113.95
1	Estimated volume 2154 (2059) Traded exclusively on APT

Traded exclusively on APT							
12% NO LIFLA 20	TIONAL ITA	LIAN COVI	. BOND (8	IP) •			
Dec Mar			Low 114.75 114.80	Prev. 115.35 115.12			
Estimate Previous	day's op	31247 (4 on Int. 90	44032) 5638 (948	43)			

10% NOTIONAL Pts 20m 100th	SPANSI of 100	GOVT. 8	CING (BCINO	8
		High	Low I	P
Estimated vota Previous day's	me 0 (	0) nt. 0 (0)		
THREE MONTH 2500,000 points				-
Dec 94.	44 9		Low   4.43 9	9 4 4

	Close	High	Low	Prev.
Dec	94.44	94,48	84.43	94,45
Mer	94,84	94.96	94.63	94.64
Jun	94.69	94.71	94.68	94.69
Sep	94.57	94.62	94.57	84.59
Dec	94,44	94.49	94.44	94.46
Daniel au	a deale and	- Int 37	m1 28485	7.00
THREE	MONTH BURG	on int. 37	4203 (37:	31197
THREE Sim po	MONTH SURO Month SURO Mos of 100%	en int. 37 BOLLAR High	4203 (375 LOW	97 197 Prev.
THREE STAN PO	Month Sund Month Sund Most of 100% Close 98,47	MOLLAR High 98.49	4203 (373 Low 96.48	Prev. 96.47
THREE Sim po Dec Mar	Month Sund Month Sund Month of 100% Close 96,47 96.42	High 96.49 96.42	Low 96.48 96.42	Prev. 96.47 96.42
THREE STAN PO	Month Sund Month Sund Most of 100% Close 98,47	MOLLAR High 98.49	4203 (373 Low 96.48	Prev. 96.47

4 I		points of 10			
186887568898233758811117	Dec Mar Jun Sep Dec Estimat Previou	Close 93.92 94.62 95.06 95.34 95.43 ed volume s day's ope	High 93,93 94,63 95,06 95,36 95,44 69968 (9 m Int. 72	93.90 94.60 95.06 95.33 95.42 (2872) (5334 (717	94 94 95 95 95 94 443
15 16 1		MONTH ECU	00%		
7	Dec	Close 93.20	High 93.23	Low 93,17	83

Dec	93.20	93.23	93,17	93.1
Mar	93.95	93.96	93,91	93.1
Jun	94,41	94.41	94,40	94.1
Sep	94.74	64.74	94.73	94
Previous	ed volume	2993  19	60)	73)
Previous	s day's ope	in Int. 33	812 (335)	
THREE !	HWITH FURD	228W2	JANC.	



	Jun Sep	92.38 92.62	92.43	92.36 92.51	92
1	Estima Previou	ted vokume	5541  44 en Int. 1	923) 13101 (11	2552
I		oo moex p	point		_
١	Dec	Close 2007 0	High	LOW	P

	Close	HUgh	LOW	Pre
Dec	3097.0	3123.0	3093.0	3113
Mar	3115.0	3138.5	3127.0	3130
Jun				3141
Estimat Proviou	ed volume	13653 r en list. 60	19668) 8171 (686	30)
* Contra	icts traded o	APT. Clo	sing prices	phorm.
	Mar Jun Estimat Proviou	Dec 3097.0 Mar 3115.0 Jun 3126.0 Estimated volume Provious day's op	Dec 3097.0 3123.0 Mar 3115.0 3138.5 Jun 3126.0 3148.0 Estimated volume 13653 r Provious day's open int. 6	Dec 3097.0 3123.0 3093.0 Mar 3115.0 3138.5 3127.0

POUND	- DOLL	AR		
FT POREIGN				
Spot 1.4885	1-mth. 1.4863	3-mth. 1,4815	8-msts. 1.4752	12-mth. 1,4657

### Cells-1 Dec 1.35 0.87 0.45 0.18 0.05 0.02 0.01 Strike Price 9850 9900 9960 1000 1006 1010 1016 1020 Mer 0.34 0.49 0.67 0.91 1.20 1.53 1.91 2.32 0.01 0.03 0.11 0.32 0.71 1.16 1.67 2.16 1.10 0.86 0.62 0.39 0.10 0.07 0.02 0.01 1.74 1.39 1.07 0.81 0.90 0.43 0.31 ums total, Calle 20674 Pole 12487 10 lottal, Callis & Puts 200 Iden Id. Callis 2878 Puts 2450 Strice Price 9875 9400 9425 9450 9475 9500 9525 9650 Cells - Dec 0.69 0.46 0.25 0.12 0.06 0.02 0 0 0:69 0.59 0.38 0.23 0.12 0.06 0.03 0ec 0.25 0.39 0.59 0.88 1.23 1.82 2.06 2.53 0.96 0.88 0.46 0.28 0.10 0.05 0.04 1.77 2.00 2.26 2.53 2.51 3.12 3.44 3.78 2.60 2.33 2.09 1.86 1.64 1.45 1.27 1.11 CHECAGO Dec Mar Jun Sep Dec Mar Jun Sep Dec Mer High 96.48 96.44 96.15 95.87 85.46 95.37 95.16 94.97 20.48 98.41 98.12 95.84 95.35 95.14 94.95 AD & POORS 508 High Low Prev. 488.55 465.80 463.40 467.40 468.85 467.40 468.30 467.80 468.45 488.45 Mar 1.84 2.84 3.73 5.16 6.70 8.45 10.43 PARIS Sett price 123.84 127.84 127.28 THREE-MONTH PIBOR FUTURES (MATE) (Paris Interbenk offered rate) (Nov 15) +0.02 93.57 +0.04 94.43 +0.03 94.60 +0.03 95.17 https://doi.org/10.000 91,077 73,754 44,634 31,016 93.52 94.39 94.99 95.13 CAC-40 FUTURES (MATE) Stock Index (Nov 10) 2116.0 2129.0 2128.5 2142.5 2174.0 2176.0 2170.0 410.577 † Total Open Inse +20.0 +20.0 '16.0 +20.0 33,291 37,445 30 12,057 ECU GOND (MATIF) (Nov 10) December 119.86 116.82 +0.26 11 Estimated volume 3,645 † Total Open Interest 14,156 13,970 14 1.89 1.37 0.10 0.16 0.31 0.53 0.92 0.25 0.03 0.01 234

### **BASE LENDING RATES**

%	
Adam & Company 6	Duncan
Alled Trust Bank 6 AIB Bank 6	Exeter 8 Financia
Henry Ansbacher 6	eFlobert F
Bank of Baroda 6	Girobani
Banco Bibao Vizcaya 5 Bank of Cyprus 6	•Guinnes Habib Ba
Bank of Ireland	el-lambro
Bank of India	Hentable
Barclays Bank 6	<b>QH</b> /II Sam C. Hoars
Brit Bk of Mid East 6 Brown Shipley 6	Hongkon
CL Bank Nederland6	Julian Ho OLeopoid
Cathook NA A	

(11.00 a.m. Nov.15) 3 months US dollars

Credit Lyonnai:

Lawde ...... 6 Bank Limited .....7 a Gen Bank ... 7 Fleming & Co \_\_6 sa Mahon ..... B ank AG Zurich \_a & Gen Inv Blc. 6 re & Co ...... 6 ong & Shanghal... 6 odge Bank ..... 6 Joseph & Sons 6

FT LONDON INTERBANK FIXING

The fixing rates are the arithmetic means rounded to the necreet one-abdeenth, of the bid and offered rates for \$10m quoted to the market by five reference bents at 11.00 a.m. each working day. The bents are Notional Westprincitor Bank, Bank of Tokyo, Dentsche Bank, Banque National de Paris and Morgan Gueranty Trust.

Mount Benking ....
 (In administration)

♦Rea Brothers .. \* Roxburghe Benk Ltd ... 6 \* (In administration) Ployal Bk of Scotland ... 6 Standard Chartered .... 6 Western Trust \_\_\_\_\_ @ Whiteoway Lakiew .... 6 Wantifedon & Sth West.7

Merchant Banking &

### LONDON +71 329 3377 NEW YORK +212 2696636 FRANKFURT +4969 440071 &OPTIONS TRADERS

FOR AN EFFICIENT

RERKELEY FUTURES LIMITE 38 DOVER STREET, LONDON WIX SEB TEL: 071 629 1133 FAX: 071 496 0022

CAL Putteres Ltd

London EC4V 4R Tel: 071-329 3030

Fee: 071-329 3918

162 Queen.

PRESS FOR GOLD - 0839 35-35-25 Dial now for Gold and Silver prices, with 60 second undates 24 hours a day. Calls are charged at 36p/min cheap rate, 48p/min all other thans. For details of the full range of littancial information services from Futures Pager Lad call 671-885 9400. FUTURES PAGER

FX and GOLD

24 HR DEALING

NO MORE DANCING!

SATQUOTETA - Your single service for real time quotes.

Futures \* Options \* Stocks \* Forex \* News \* Via Satellite

MEMBER SFA Call now for further infor



FOREXIA FAX \$ DAILY FOREIGN EXCHANGE COMMENTARIES. CHARTS, FORECASTS AND RECOMMENDATIONS

Tel: +44 61 948 8316 tree trief details Currency Fax - FREE 2 week trial r - Anne Whitby 7 Swaffa A Street, Lenden W18 780 UK -Tel 071-734 7174 exchange rate speciments for over 20 years | FGK 671-439 4966





# FT-SE MID 250 FUTURES AND OPTUONS Somata screen

OMLX, The London Securities and Derivetives Exchange, has 250 Index.

51

Va

(60

Eu

Bl

(32

exchange - members will be able to trade it through the advanced. user-friendly Click system, direct

Already, the OMLX exchange is port of the 4th-largest equity international contracts.

And with the addition of Mid 250 derivatives, it will become an even more central part of your investment and risk management

For more details, please write to Gabriela Swiader at the OMLX exchange, 107 Cannon Street, London EC4N 5AD, or call 071 283 0678.

And pur yourself in the picture. Recognited Institution Exclusive in the United Rangdom

THE LONDON

### **MONEY MARKETS**

### Danes cut rates

The Danish central hank yesterday cut its discount and deposit rates by % point to 6% per cent, writes Conner Middel-The move is expected to be

followed today by a 1/2-point cut

in the certificate of deposit rate

to 71/2 per cent. If so, the CD rate will have eased by 31/4 percentage points since August 2, when the fluctuation bands for most currencies in the European exchange-rate mechanism were widened to 15 per cent. The Danish krone has been the weakest currency in the EMS grid for some time. However, among Europe's central hanks the Danish central bank has been among the most aggressive in taking advantage of the wider hands to ease interest rates independently of the Bundeshank, and analysts

say the process is likely to continue amid high unemployment, a sluggish economy and a relatively stable currency. UK clearing bank base lending rate

from January 26, 1993 In Germany, operators are getting geared up for another drop in the rate for securities repurchase agreements at today's allocation of 15-day

6 per cent

variable-rate repos. According to a survey of market analysis firm MMS 30 Budget were waning.

International, most traders are calling for a drop in the repo rate hy some 8 basis points to 6.30 per cent. Fairly comfortable liquidity analysts.

conditions and expected drains from tax payments this week should roughly halance each other out, so that only a very small addition to liquidity is seen, according to MMS's However, most traders do not expect the Bundesbank's

central bank council to cut leading interest rates at its meeting on Thursday. Instead they expect further reductions in the hank's discount and Lombard rates in December. The December three-month Euromark futures contract on LIFFE ended at 93.92, up 0.03

point from Friday. In France, the central bank left money market rates unchanged at its latest round of securities repurchase agreements, as expected. The Pibor futures contract ended at 93.55, up 0.01 point from Friday.

UK money market conditions were stable ahead of Wednesday's retail price and sales data. "Wednesday is a hit of a watershed · it will set the tone for the run-up to the Budget," said a London money dealer. He said market hopes for a substantial rate cut German money dealers by accompanying the November

		MONE	Y RAT	ES		
NEW YORK			Treasury	Bills and 8	onds	
Lanchtime		One month		. 2.89 The	BE VOO	4,45
Prime rate	5	Six month One year	th	3.16 Sen 3.34 10-	9 year Year	5.02 5.23
Nov 15	Overnight	One Month	Two Months	Three Months	Six Months	Lomberd
Frankhart	6.25-8.35 6 <sup>3</sup> 4-6 <sup>7</sup> 4	0.30-8.40 6.72-6.87	5.30-6.40		6.90-6.05	6.75
Zurich	43-45 6.12-0.16 213-213	47-42 6.12-6.16	:	6.58-6.73 47-4.3 6.07-6.13	:	6.45
Milan				818-0		1 :
Brussels	64-67 64-67	64-62 6-84	6 <sup>1</sup> 4-6 <sup>3</sup> 8	612-85 818-612	6-61-	] :
	LONE	ON M	ONEY	RATE	S	
Nov 15	Overnig	ht 7 days	One Month	Three Months	Str	One Year

Nov 15	Overnight	7 days notice	One Month	Three Months	Six Morths	One
terbenk Offer	81 <sub>8</sub> 3 	512 62 57 513 -	555555 - 1556555555555555555555555555555	55555 - 5553	50 50 50 50 50 50 50 50 50 50 50 50 50 5	50 50 50 50 50 50 50 50
unk Billa (Buy) ne Trade Billa (Buy) ne Trade Billa (Buy) niler CDs. 18 Linked Dep. Offer 20 Linked Dep. Offer 20 Linked Dep. Offer 20 Linked Dep. Bild 21 Linked Dep. Bild	-		3.00 41s 4 714 71q	31 3.09 44 7.51 64	3.18 4.1 3.1 6.1 6.2	2.48 37, 65,

been offered a licence by The London Stock Exchange to introduce derivatives on the FT-SE Mid

The new contracts will be available shortly.

And - since it's on the OMLX from their own dealing rooms.

derivatives market in Europe, offer- Securities & Derivatives ing access to a growing range of EXCHANGE | Second | S

Charperry
Cach Mediterrane
Coopered hit
Coopered hit
Co C F
Or France
Crod Lyon (2)
Credit Local F
Credit Local

Pa. 2,560

- 3,480

- 3,1480

- 3,1480

- 4,100

- 4,100

- 4,100

- 4,100

- 4,100

- 2,130

- 2,130

- 2,130

- 3,200

- 11,235

- 3,200

- 1,235

- 3,200

- 1,235

- 3,200

- 1,235

- 3,200

- 1,235

- 1,236

- 1,236

- 1,236

- 1,236

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

- 1,130

107 . \$50 . 210 . 223 . \$,800 . 125 . \$26 . \$26 . \$26 . \$204 . \$204 . \$204 . \$204 . \$204 . \$204 . \$204 . \$204 . \$204 . \$204 . \$204 . \$204 . \$204 . \$204 . \$204 . \$204 . \$205

17-100 17-7 19-54- 1-17-77-7

2 18884879

-1547-3000 440 -182

1918 - 918 | Sanda

|육착=누우하=구축당수유무용 |유 | T유용

**↑육२०१४२४०१४०** 

2,400 940 498 1,450 3,000 1,010 594 400 1,010 1,210 646 2,920 1,380 1,380 1,800 1,600

¢. ...

JAPAN

+110 +50 -130 -10 -20 +130 +60 +7 -75

Auth Praf
Markhosmers
Markhosm

「音音を示しる」とはななを含むななななななななななななななるなる。 コード しんなんと

-7 -10 -10 -10 +6

+1860040 +118600 ++27000 ++27000 ++27000 ++4400 +4600 +1000

Afon (Dorp Fird)
Bendo Sisted Vec.
Bendo Casin Higo
Bendo Edunfor
Bendo Dayler
Bendo Santandor
Bendo Santa

Pis. 4,518 - 4,130 - 3,170 - 3,187 - 4,158 - 4

Pancilordel
Resident GP
Reside

Jene Network

Horsty Poseldo

Morth SH Peleo

Pacific Dunkop

Parazretaria

Perminos

Resi

Anterios

Ante

HK Altronti.
HK Blachto.
HK Blachto.
HK Lind
HK Claind
HK Peality & Tr A.
HK Teality & Tr

MALATSIA

Illingwisher 18
Adis Part (BT)
Alles State (Pt)
Batterin Bower (BT)
Batterin Bower (BT)
Che Golyr (Pt)
Che (Pt)
Alles State (Pt)
Alles (Pt)
Alle

, ,

CANADA TORONTO 64457 143065 192363 17925 77715 9034 135709 11485 7535 25420 396205 14536 66809 211800 Macierz Macierz Macret Macret Macret Magna Maplifed Martin Martin Martin Martin Motor Mesona Mitter Mesona Matthick Morer Mesona Marting Morer Mesona \$17/2 \$876 1216/2 1245 340 \$1176 \$8/4 1527/2 \$17 \$28/4 \$15/2 \$15/2 141s +1s 195s -1s 512 1712 +12 2612 -1s 1512 -1s 25 10 25 40 13 7 14 10 15 40 14 10 22 7 % 124200 36768 27601 84518 362878 28689 85465 3177 480401 5920 15000 1014 515 617 23 180 914 4 184 2 184 90259 Gesc C 1100 Gerisa 112136 Gerisa 22000 Germe 66530 Gess 3900 Gerilai 18458 Ger C 900 GW Ltt SOC LIAP A
615 UCOrp
7016 UptiOnm
2000 Univers
27000 Westers
190820 Westers
4900 WiC 99
1- No westers \$3434 \$2176 \$776 \$1276 \$2154 \$4114 \$1776 125g 213g 401<sub>2</sub> 17 23435 Oniss 523774 Onissal 523789 Piva Cr 286365 Pirgost 63985 Piraco 63983 Piva Cr 63983 Piva Cr 786625 Piva Cr 120219 Proor P 109955 Proor P 109955 Proor P 10995 Repts 42500 Rests 120286 Repts 120286 Repts 120286 Repts 120385 Repts 12038 2100 HarSiA 3557 HarNiSd 22520 Ressin 47329 Hersin 5100 Hingr 18919 Hin Di 51580 Harsins 210 HarSiNS 56346 Harsins 247456 CAE
856772 Crimier x
856772 Crimier x
780377 Caresto
41320 Caresto
14000 Crimie
283506 Centre
283506 Centre
283506 Centre
282529 Careto
282529 Careto
28360 Careto
3500 Careto
3700 Careto
3700 Careto
371572 Careto
311572 Careto
750 Careto
750 Careto
11789 Cricae
71 28 24 34 28 39 1914 2914 2914 1014 \$10<sup>7</sup>8 \$10<sup>1</sup>4 \$19<sup>3</sup>8 Labett Luckin Literge Liflewik Liflewik Laurith \$235 \$117 \$2714 \$94 \$94 \$184 231g -1g 11 27 -1g 9 -1g 87g -1g 181g 231<sub>4</sub> 107 27 87 167 3778 750 750 A INDICES 3687.84 (2/11/83) 109.77 (18/10/93) 1752.87 (12/11/83) 256.46 (31/8/83) 341.96 (071) 103.49 (171) 1453.84 (47) 217.14 (871) DJ Ind. Day's High 3707.42 (3700.45) Low 3648.74 (3638.40) (Neural Day's High 3650.65 (3879.76) Low 3662.43 (3658.86) (86 DERMARK Copestages SE (\$1/83) FINLAND NEX General (28/12/90) STANDARD AND POOR'S 469.50 (15/10/28) 538.75 (12/11/28) 48.40 (25/2/28) FRANCE CAC Geneal principal CAC 40 (\$1/1287) GERMANY FAZ Asses (\$1/12/58) Day (\$1/12/57) DAX (\$1/12/57) DAX (\$1/12/57) 4,40 (1,8632) 3,62 (21,6532) 8,54 (1,76/74) 469.50 [15/18] 538.75 [12/11] 48.40 (25/18) 622.05 (25.4) (25.4) (26.4) 281,40 (15/10) 464,28 (2/11) 767,42 (15/10) 256,21 (8/1) 365,64 (8/1) 545,67 (26/4) 250.48 (15/16/25) 44.75 (2/11/25) 151.42 215 250 2651 26W HONG KONG Hing Sung Bank (\$1/764) FRELAND SED Overall (4/789) TTALY 9733.34 9701.25 9674.83 9905.44 9733.34 (15/1)

		_ N	Nov 5		1 29	Oct 25 Ju	hate side jabbios;		
Dow Exdestral Div	. Yield		LAD _	2	77	279 .	. 3.20		
		Nic	w 19	No	v 3	Oct 27 y	Amer, with (albbioar)		
S & P Industrial of S & P Incl. IVE ra	P Industrial div. yeld P tool. IVE ratio		2.40 26.69		61 61	2.42 38.51	2.65 21.72		
NEW YORK	ACTIVE	STO	CKS		TRADIN	G ACTIVITY	Y		
Friday	Stocks tracked	Closin			† Volum	Nov 12	Millions Nov 11	Nov 10	
Arter Barric	14,879,600			-	New York S				
PLI Nativece Dynakirmstraet	7,853,700		:		ACTION NASIDAD	\$62.87 0.6			
Takelouse	7,062,300	気り	+	13	MYSE		818.140	-	
Philip Monte	5,318,900		+ 2	24	Mass Trad	2548	2,658	2,98	
Strate Cost	3,841,300		:	4	Place	1,211	812		
LTY Corp	3.321.500			1	Felts	834	1,110		
Marck	3,198,100				<b>Universe</b>	803	634	67	
BK	3,197,200	51%	•	4	New Lows	67 48	29	2	
CANADA TORONTO		inv	Nov	New	Nov		993		
10.10,110	-	12	11	10	9 -	HGH		W.	
Messie & Massie Composite		184,07	3153.99 4231.28			3194.07 (12/11) 4302.80 (12/11)		1 (21/1) 8 (21/1)	
MONTREAL Particle	2	020.02	2027,41	2023.5	2014.91	2027.41 (11/11)	1720.9	7 (21/1)	

842.19 (22/1) 5437.80 (4/1) 982.03 (3/11) 981,37 972,47 967.60 950.89 614.28 (13/1) 409.7 419.30 (4/11) 255.8 272.00 (4/11) DATE SE BAD (2/1/83) 1001.16 1001.19 981.58 897.76 1034.93 (28/10) (588.93 (2771) 2384.89 2368.70 2371.87 2387.87 545.44 548.49 500.25 543.61 564.35 (1/11) 394.10 (13/7) 810 T2 781.AT 783.35 TTT.39 1402.8 1402.30 1398.30 1302.10 1435.10 (4/11) 879.19 (28/1) 5013.28 (7/4) 10 4271.14 4161.41 1365.52 1360.84 1371.25 1347.82 Euro Tap-100 (25%/50) 1143.26 1198.52 1137.52 1134.91 1175.45 (23/10) 852.73 (13/1) November 13: Tahum Welghied Price; jej. Kares Comp Ec; 796,65. In plicial recalculation. † Correction. \*\*Calculated at 15.00 GMT.

TOKYO - Most Active Stocks Monday, November 15, 1993 Closing Prices 334 324 250 798 1,810 Process Traded: 2.8m 2.5m 2.4m 2.3m 2.2m Closing Prices 783 1,910 651 583 525

# IS THIS YOUR OWN COPY OF THE FINANCIAL TIMES?

Or do you rely on seeing someone else's? Every day the FT reports on the topics that matter to people doing business every day, in and from Europe. We cover the latest European, U.S. and international news, and analyse the implications from a European perspective. In fact you'll find far more than finance in the FT. No surprise then, that the Financial Times is read by over four times as many senior European husinessmen and womeo as any other international newspaper.\* Make sure you're one of them by getting your own copy of the newspaper

To: Gillan Hars, Francial Times | Europe: GrapH, Nibelangeophics 3, 60318 Frankfurt/Ham, Germany, Tel. + 4969 | 56650, Tiv. 410193, Fax. + 4969 5904483

### SPECIAL INTRODUCTORY SUBSCRIPTION.

TWEL	VE FRE	E ISSI	UES		

**DELIVERED TO YOUR OFFICE** YES, I would Rize as subscribe to the Financial Times, and eajoy my first 12 masses free 1 will allow up to 21 days before 60/neary of my first copy. Please enter my subscriptor for 12 mounts at the following rater.

Austria OES 5.800 Prance PPR 1,990 Lastenboars LPR 12.500 Spian. PTS 59,000 Belgissa SPR 12,000 Germany DM 700 Notherbands DPL 830 Sweten SEK 2,000 Demands DKR 3,150 Greener DR 22,800 Norway NOR 2,800 Sweten SPR 640 Finland PMK 1,980 Italy LIT 560,000 Portugal ESC 57,000 Turkey TL 1,850,000

delivered daily to your office.

Biji me		harps my An income/Vea	nenczn Espa Account.	es/Dine	Class	Expery	Desc		
		]={	$\Gamma\Gamma$	$\Box$	I	<b>]</b> ]	$oldsymbol{\mathbb{L}}$		
प्रकृति अवस्थ अर	O Formbe								
To minute Tel 2001/10		in North Ame Pro	rice confect	Hew York	TH 1524	300, Fas 30	2507, FA	e East ri	mar 7 Apr

FINANCIAL TIMES

FAR MORE THAN FINANCE.

7a

arsh o declared dent from

nen

1ge

their own med hun-ar, but the tung of the as underl Moldova's sia, which separatists id through Inioo's 14th 1 Tiraspol,

ation with inst joining of Indepenthe parlia-try that this ead to ecoer cent of its omic union Russia and ember. ept that our g hut part of

t says the lovans never cation with t the country ong policy of the east". pprochement pear to have to resolve the s Duestr lve President ficial visit to th, in splte of ag support for

nd remarkable

Sun Life is of 27 percent h market. This lected in the faround 400 business and

dy a valuation aess is Capital lved in Capital own shopping eight leading e of the first to

pping coures. investment — I & Counties nopping centre.

n people and a
increased flow
tkeside is now
nire in the UK. the some years he norm with is, for regional

ing spaces to a a could become toppers we are

neipally the UK in our ability to n into all those lished in the US

in developins K is possibly the stries. It has only of and we think Consequently.

nesburg 2000 4.2100 33-3171

4

李林林 七 子 本

-0-

- P - Q -

七百姓以外

## 12 Part | Par

1978年 第20年765年 1864年 1864年 1874年 1871年 187

Salatana

t pm close November 15

Low Stock
11-15, AAR
11-15, AAR
13-15, ALL John A
54-5, AAR
55-5, AAR
55-5, AAR
1-2, ARX
1-2, ARX
1-2, ARX
1-3, 
والله المناور المام المناطق الى المناولة المناورة المناورة المناولة المناو

| Max | Pr | See | December | Dec

- C -

764 P 56 017 % E 1006 0.80 45.165 75 5 3.50 5.4 6 0.20 0.4 11 1406 0.95 7.2 15 8 1.00 10.5 9 11 25 20 36 1505 0.60 3.3 7 1286

- D

- E -

Proc. 20 12-12-12 12-12

المامانية فراء فيتهاد بالمجاد فياما الماء الإجارات المامان فالمراد فالم المامانة

المام المتحاجة المام المام المتحاجة المتحاجة المام المتحاجة المتحاجة المتحاجة المتحاجة

.5g .1g .1g .3g

化水子 人名英格兰 人名英格兰 人名英格兰人姓氏克里特的变体 人名英格兰人姓氏 人名 人名 人名英格兰人姓氏 人名英格兰人姓氏

我是我们接近了 小 小 有我我我我我 有好者 的好的 不好的好

+18

17, 12-19 Feb Insurant 15-19 FF Description 17, 12-29-2 Profession 19, 15-29-2 Profession 1

YORK STOCK EXCHANGE COMPOSITE PRICES

마음 학교학자학자 학교학자 18 명이 19 
المامية المامية المأمية المرامة المرامة المرامة المامية

本本二 计 上本本本本本本 计 上本本

क्षे की महार के नकी में सम्बंधिय

七十二十七十七十七十七十十十十

4444444

12

古古古山山 人名古古古古古山 十十十

23-ja 13-ja KLM R Dich 25-ja 19-ja K Marz 25-ja 19-ja K Marz 25-ja 19-ja K March S-26-ja 20-ja Kaneb Pr 3-ja 25-ja Kaneb Sv 25-ja 21-ja Kanby Sv 25-ja 21-ja Kanby S-49-ja 20-ja Kanbas Sin 11-ja 25-ja Kanby S-22-ja 25-ja Kanby S-22-ja 47-ja Kanby S-10-ja 6-ja Kanby Martin 1 43-ja 23-ja Kanper 10-ja 6-ja Kanper

16-la 65-la 00 13-la 32-la 9-la 12-la 24-la

#### Leve Shock | Sign | Leve Shock | Sign | Leve Shock | Sign | 

,1 ,5 112 4444 中華 子子子 人名英格兰人名 人名英格兰人名 

| Table | Start | Table | Tabl

| Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Sect

大學教育工作 有工作 有 不可不可以不可以不可以 المال الما المثالمالية المالية 
されななしますななか ふなな 44444 松本古古古

the the state of the state of tate to the second

254, 171, IBP Inc.
5 27 IDM Promi
301s 251, PTIM
154, 561, IDM Promi
301s 251, PTIM
152, 11 STI Proph
152, 12 STI PROM
152, 12 STI PROM
152, 14 Iber Carp
132, 254, Brival, 42
154, Still Brival, 54
154, Still Brival, 55
154, Still Brival, 55
155, 254, Brival, 55
154, Still Brival, 55
155, Still Brival, 55
15

- K -

49<sup>1</sup>2 40<sup>1</sup>2 3 Reer PF 48<sup>1</sup>2 41 J Reer L 5-5 14-8 J Reer L 5-5 14-8 J Reduct En 29<sup>1</sup>4 30 Jecobe Eng 10<sup>1</sup>5 54 Jecobe Eng 10<sup>2</sup>5 54 Jecobe Eng 18<sup>2</sup>5 75 Jun De 10<sup>5</sup> 68 JecOvePF 105 68 JecOvePF 105 69 Jecobe Eng 50<sup>2</sup>5 35<sup>5</sup>5 Jene L 50<sup>2</sup>5 35<sup>5</sup>5 Jene L 50<sup>2</sup>5 35<sup>5</sup>5 Jene L 28<sup>5</sup>5 18<sup>2</sup>2 Jockson in

李禄 中国李锋工作 一种人名 挠牛 \* \* \* \* \* \* \*

411, 251, 1088 Burson 1.04 2.6 12 10 371, 373, 174, 17

- N -

- R -1.02 68 202 115
0.06 28 12 2 255
0.16 5.7 1 58 174
0.02 0.2 1270 104
0.02 0.3 147 314 0
0.02 0.3 148 1420 274
0.02 0.3 148 1420 274
0.3 12 148 1420 274
1.40 2.8 12 4899 814
1.40 2.8 12 4899 814
1.40 2.8 12 4899 814
1.50 0.8 25 197 334
1.50 0.8 25 197 324
0.50 0.8 25 197 324
0.50 0.8 25 197 324
0.50 0.8 25 197 324
0.50 0.8 25 197 324
0.50 0.8 25 197 324
0.50 0.8 25 197 324
0.50 0.8 25 197 324
0.50 0.8 25 197 324
0.50 0.8 25 197 324
0.50 0.8 25 198 42
0.50 0.8 25 198 324
1.50 0.8 25 198 324
1.50 0.8 25 198 324
1.50 0.8 25 198 324
1.50 0.8 25 198 324
1.50 0.8 25 198 324
1.50 0.8 25 198 324
1.50 0.8 25 198 324
1.50 0.8 25 198 324
1.50 0.8 25 198 324
1.50 0.8 25 198 324
1.50 0.8 25 198 324
1.50 0.8 25 198 324
1.50 0.8 25 198 324
1.50 0.8 25 198 324
1.50 0.8 25 198 324
1.50 0.8 25 198 324
1.50 0.8 25 198 324
1.50 0.8 25 198 324
1.50 0.8 25 198 324
1.50 0.8 25 198 324
1.50 0.8 25 198 324
1.50 0.8 25 198 324
1.50 0.8 25 198 324
1.50 0.8 25 198 324
1.50 0.8 25 198 324
1.50 0.8 25 198 324
1.50 0.8 25 198 324
1.50 0.8 25 198 324
1.50 0.8 25 198 324
1.50 0.8 25 198 324
1.50 0.8 25 198 324
1.50 0.8 25 198 324
1.50 0.8 25 198 324
1.50 0.8 25 198 324
1.50 0.8 25 198 324
1.50 0.8 25 198 324
1.50 0.8 25 198 324
1.50 0.8 25 198 324
1.50 0.8 25 198 324
1.50 0.8 25 198 324
1.50 0.8 25 198 324
1.50 0.8 25 198 324
1.50 0.8 25 198 324
1.50 0.8 25 198 324
1.50 0.8 25 198 324
1.50 0.8 25 198 324
1.50 0.8 25 198 324
1.50 0.8 25 198 324
1.50 0.8 25 198 324
1.50 0.8 25 198 324
1.50 0.8 25 198 324
1.50 0.8 25 198 324
1.50 0.8 25 198 324
1.50 0.8 25 198 324
1.50 0.8 25 198 324
1.50 0.8 25 198 324
1.50 0.8 25 198 324
1.50 0.8 25 198 324
1.50 0.8 25 198 324
1.50 0.8 25 198 324
1.50 0.8 25 198 324
1.50 0.8 25 198 324
1.50 0.8 25 198 324
1.50 0.8 25 198 324
1.50 0.8 25 198 324
1.50 0.8 25 198 324
1.50 0.8 25 198 324
1.50 0.8 25 198 324
1.50 0.8 25 198 324
1.50 0.8 25 198 324
1.50 0.8 25 198 324
1.50 0.8 25 198 324
1.50 0.8 25 198 324
1.50 0.8 25 198 324
1.50 0.8 25 198 324
1.50 0.8 25 198 324
1.50 0.8 25 198 324
1.50 0.8 25 198 324
1.50 0.8 25 

12-1-11-2 RAC incm
19-1-4-2 RIR Rb.
225-2-24-3 RIL Corp
225-12-3 RIL Corp
225-13-3 Ril Range
464-34-3 Ringel
47-3 
Samsuno Passino TV Flat Square Tube NICAM Digital Stereo Well-Shaped

| The content of the 8-7 ACM Build Property of the THE PROPERTY OF THE PROPERTY O 201-172-5 Ratione
301-172-5 Ra - B

F,

D

51 ٧a (60

#4

Bel (32

NASDAQ NATIONAL MARKET | Dec | Property k Senies karren Op karcher C karder C karder C kelley Od kelley Sv KenCentri kentucky igmbell färschner VLA Instr knewledge komag ine kulicke S Lo Petrie
Land Form
Lam Rich
Lam Rich
Lamester
Lance Inc
Landrage
Lance Inc
Landrage
Lamester
Lance Inc
Landrage
Lamester
Lance Inc
Line Line Inc
Line
Line Inc
Line
Line Inc
L 8 45 54 54 54 14 13 14 12 26 552 144 124 14 12 26 552 144 124 14 12 12 - E -Eigle For East-Environ Eo Tel Spread B Pass D Becthio Environ Fall Gro Farrical Far 9 100 5<sup>2</sup>2 5 5<sup>3</sup>4

010 25 63 23 22<sup>3</sup>4 2<sup>3</sup>4

8 7 4<sup>5</sup>5 4<sup>2</sup>2 4<sup>2</sup>5

8 101 37<sup>3</sup>4.034<sup>2</sup>2 5<sup>2</sup>5

1040 13 19 13<sup>1</sup>2 13 13

24 56 35<sup>2</sup>6 23<sup>3</sup>4 25<sup>3</sup>6

1400 63 1280 33 31 31<sup>3</sup>4

15 127 3283 32 30<sup>3</sup>4 30<sup>3</sup>4

19 227 10 9<sup>3</sup>2 10

10 21 18 91 23<sup>3</sup>4 23<sup>3</sup>5

10 10 43 16<sup>3</sup>5 21<sup>3</sup>4 25<sup>3</sup>6

10 10 43 16<sup>3</sup>5 21<sup>3</sup>4 25<sup>3</sup>6

10 10 43 16<sup>3</sup>5 21<sup>3</sup>4 25<sup>3</sup>6

10 10 43 16<sup>3</sup>5 15<sup>3</sup>5 15<sup>2</sup>2

10 580 26 33 23<sup>3</sup>4 25<sup>3</sup>2 25<sup>3</sup>7

10 580 27 38 23<sup>3</sup>4 25<sup>3</sup>2 25<sup>3</sup>7

10 20 173 48 21<sup>3</sup>5 25<sup>3</sup>4 20<sup>3</sup>4

10 20 173 25<sup>3</sup>5 25<sup>3</sup>7 25<sup>3</sup>7

10 22 21<sup>3</sup>5 23<sup>3</sup>7 23<sup>3</sup>7 25<sup>3</sup>7

21 22 21<sup>3</sup>7 21<sup>3</sup>7 21<sup>3</sup>7 21<sup>3</sup>7

21 329 20 27<sup>3</sup>2 20

23 317 7<sup>3</sup>4 7<sup>3</sup>4 7<sup>3</sup>4 7<sup>3</sup>2 .14 412 114 GEAK Servi Bendas
Garnet Ris
Gent Dav
Gender Bend
Gent Bend
Gent Bend
Gentster Co
Gent Bend
Gentster Co
Gentster C .14 .18 .14 1444 - C -| Harding A | 121 | 80 | 812 | 814 | 812 | 814 | 814 | 814 | 815 | 814 | 814 | 815 | 814 | 814 | 815 | 814 | 815 | 814 | 815 | 814 | 815 | 814 | 815 | 814 | 815 | 814 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | 815 | - H -4-14-4-4-4-4 .1<sub>2</sub> - 0 -- P - Q 
1.00 19 1751 w70<sup>1</sup>4 69<sup>1</sup>4 63<sup>1</sup>2

p 0.55 20 196 14 133<sup>1</sup>8 14
1.32 10 36 25<sup>1</sup>2 24<sup>1</sup>4 25<sup>1</sup>2
18 587 40<sup>1</sup>2 39<sup>1</sup>4 39<sup>1</sup>4
5 136 483 437<sup>1</sup>8 36<sup>1</sup>2 37<sup>1</sup>2
1 26 136 6<sup>1</sup>4 812 0<sup>1</sup>8
1 26 136 6<sup>1</sup>4 812 0<sup>1</sup>8
1 25 12 218 y11 194 11
1 8 10 12<sup>1</sup>2 12<sup>1</sup>2 12<sup>1</sup>2 12<sup>1</sup>2
20 10 74 25 28<sup>1</sup>4 33<sup>1</sup>6 34<sup>1</sup>4
20 10 27 3 36<sup>1</sup>2 25<sup>1</sup>2 38<sup>1</sup>2
20 10 74 25 28<sup>1</sup>4 33<sup>1</sup>8 34<sup>1</sup>4
10 441 5<sup>1</sup>9 5<sup>1</sup>9 5<sup>1</sup>9 5<sup>1</sup>9
1 0.00 22 8 27 00<sup>1</sup>4 20<sup>1</sup>8
1 10 22 11<sup>1</sup>4 10<sup>1</sup>4 11<sup>1</sup>8
1 12 22 5 15<sup>1</sup>5 5<sup>1</sup>4 5<sup>1</sup>8
1 6 522 11<sup>1</sup>4 10<sup>1</sup>4 11<sup>1</sup>8
1 12 25 15<sup>1</sup>5 7<sup>1</sup>5 7<sup>1</sup>4 38<sup>1</sup>4
25 15<sup>1</sup>5 7<sup>1</sup>5 7<sup>1</sup>4 38<sup>1</sup>4
25 15<sup>1</sup>5 7<sup>1</sup>5 7<sup>1</sup>4 38<sup>1</sup>4
26 27 20 18<sup>1</sup>1 20<sup>1</sup>4 10<sup>1</sup>4
1 20 27 20 18<sup>1</sup>2 21
2 12 13 21 20<sup>1</sup>2 21<sup>1</sup>2
2 15 56 24 2718 u38<sup>1</sup>4 37<sup>1</sup>4 28<sup>1</sup>4
2 12 21 21 21 21 20<sup>1</sup>2 20<sup>1</sup>2 20<sup>1</sup>4
2 12 21 21 21 20<sup>1</sup>2 20<sup>1</sup>4 24<sup>1</sup>4
2 12 27 9<sup>1</sup>4 9<sup>1</sup>4 0<sup>1</sup>4
2 14 4<sup>1</sup>4 4<sup>1</sup>7 4<sup>1</sup>7 19 18<sup>1</sup>4 19
1 14 4<sup>1</sup>7 19 18<sup>1</sup>4 19 Paccar
PacDurstop
Pactor
Pactor
Pactor
Pactor
Pactor
Pactor
Pactor
Parametre
Payor
Parametre
Payor
Parametre
Payor
Parametre
Payor
Parametre
Payor
Pantsylv
Pentair
Pentair
Pentair
Pentair
Pentair
People We
J<sub>4</sub> .1<sub>8</sub> JEJ Snack Jacon Inc JEG Ind Johnson W Jones Med Jones Med Joseph Cp JSS Fin Jama Ltg Justin 5014588 57 64<sup>1</sup>4 64<sup>1</sup>2 0.12 28 2100 21<sup>1</sup>4 20<sup>1</sup>4 20<sup>1</sup>5 26 00 2<sup>1</sup>9 1<sup>2</sup>6 2 5 2 18 15<sup>1</sup>7 32 18 15<sup>1</sup>7 15<sup>1</sup>7 32 18 15<sup>1</sup>7 15<sup>1</sup>7 20 0.80 11 275 23<sup>1</sup>7 202<sup>1</sup>2 22<sup>7</sup>8 -212 14 14 14 14 14 14

7a

41

| Sheek | Div. E | 1960 | High | Lost | Lest | Etrop | Pride Pet | 135 | 233 | 544 | 03s | 93s | -1s | 135 | 233 | 544 | 03s | 93s | -1s | 135 | 233 | 545 | 03s | 93s | -1s | 135 | 233 | 545 | 03s | 93s | -1s | 135 | 235 | 235 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 |

21 404 24<sup>1</sup>4 22<sup>1</sup>2 23<sup>1</sup>4 35 1164 11<sup>1</sup>4 10<sup>1</sup>4 17<sup>1</sup>4 7<sup>2</sup>6 25 3 19 19 19 23 100 25<sup>1</sup>2 24<sup>1</sup>2 24<sup>1</sup>4 47 179 61<sup>1</sup>2 16<sup>1</sup>2 16<sup>1</sup>2 15<sup>1</sup>2 17 259 37<sup>2</sup>8 37

| Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant | Substant

- T -

- U -

Us Hitter
United St.
Ucates St.
United St.
U

Valleyfilat Valmons Vagrd Cell Vertione Vicor VicorpRst Viewlogic VLSi Tech Votro 8

1 0.84 22 9400 54<sup>1</sup>2 53<sup>1</sup>2 14<sup>1</sup>34 21776 6<sup>1</sup>2 53<sup>1</sup>2 14<sup>1</sup>34 21776 6<sup>1</sup>2 53<sup>1</sup>4 573 1<sup>1</sup>34 188 13 184 17<sup>2</sup>3 17<sup>2</sup>3 188 13 100 54<sup>1</sup>4 53<sup>1</sup>4 54<sup>1</sup>4 54<sup>1</sup>4 14<sup>2</sup>3 188 13 100 54<sup>1</sup>4 53<sup>1</sup>4 54<sup>1</sup>4 14<sup>2</sup>3 14<sup>2</sup>4 1

- X = Y = Z =

27 3744 45½ 36½ 36% -1³
4 769 65% 65% 65% 33¾
10.94 15 86 223 55% 5¾ 5¾
68 223 55% 5¾ 5¾
107 39¾ 37¾ 39

Rainbow/ Railys Rasterops Reground Recotton RegencyCr RetLife A Repligan Rep Waste Recotters Rec

هلب

arsh

so declared ident from rnment in their own

imed hun-ear, but the tting of the has undery and comd Moldova's ssia, which separatists nd through Jnion's 14th n Tiraspol, pital". ort of the

one reason parliament cation with ainst joining h of Indepengust. dent Mircea i the parlia-atry that this lead to ecoor Moldova per cent of its omic union Russia and viet republics tember. ng but part of

it says the dovans never fication with the east". ;overnment's ipprochement eive President official visit to s battle against

ved remarkable ion to 13 billion areas Sun Life is as of 27 percent ish market. This fe offices in the

billion pounds, effected in the of around 400 of business and nply a valuation ric value of the siness is Capital rolved in Capital f-town shopping in eight leading one of the first to which was based with Africa. I am tess of our retail

topping centres, ir investment — ital & Commes' shopping centre, lion people and a ly increased flow Lakeside is tow centre in the UK, take some years the norm with alar, for regional

arking spaces to a rm, could become shoppers we are te, from any point

band our insurance trancipally the UK ce in our ability to tion into all those ablished in the US tise in developing (UK is possibly the untries. It has only uk of and we think ther. Consequently,

anne-burg 2000 108-2100 1403-3171 530 SA

# bond yields, Nafta worries

### **Wall Street**

RISING BOND yields and concern about the fate of the North American Free Trade Agreement kept US share prices firmly anchored in negative territory yesterday morning, writes Patrick Harverson in New York,

At 1 pm, the Dow Jones industrial Average was down 14.26 at 3,670.25. The more broadly based Standard & Poor's 500 was 2.05 lower st 463.34, while the Amex composlte was down 0.74 at 478.86, and the Nasdaq composite down 5.78 at 773.54. Trading volume on the NYSE was 147m shares

by 1 pm.
The markets opened the week in an uncertain mood. Although the economic background continues to improve -

MEXICAN shares again set record levels in early trading on expectations of a positive result in a vote by the US congress tomorrow on Nafta.

The IPC index was up 21.20 at 2,129.64 in turnover of 72m pesos. Telefonos de Mexico firmed 10 centavos to 7.9

official data yesterday showed that industrial production rose hy a stronger than expected 0.8 per cent in October - investors remain troubled by several factors: rising bond yields, which may be a precursor of higher short-term interest rates; the high valuations of stock prices. which may lead to a substantial correction if investor sentiment suddenly turns negative: and the possibility that Congress may reject Nafta tomor-

The concerns about interest rates were at the forefront yesterday because of another rise in bond yields. The yield on the benchmark 30-year bond climbed to 6.18 per cent in the wake of the strong industrial production data. Nafta was

V.

B.

(3

who fear that if Congress votes against Nafta this week. long-term economic growth, and corporate profits could suf-

Among individual stocks, shares of the major television network companies were all higher on the news of a court ruling that will allow networks to own financial stakes in shows produced by outsiders. CBS rose \$5% to \$300%, Cap Cities ABC added \$5% at \$625 and General Electric, parent of NBC, firmed \$% to \$94%.

**Paramount Communications** fell \$2% to \$80% as investors appeared unimpressed by a sweetened takeover offer from QVC Network. The original agreed offer from Viacom still appears close to success in the bid battle, although a court ruling today on the legality of a special anti-takeover agree ment between Paramount and Viacom may alter the final outcome. Viacome shares were down \$1/4 at \$51% and QVC up

\$1% at \$51%. Telefonos de Mexico, the biggest "Nafta-play" in the mar-ket, fell \$% to \$54% in volume 2m shares on fears that the trade pact will collapse.
UAL dropped \$5% to \$143

after the broking bouse Bear

Stearns downgraded the air-

line's stock.

IN contrast to Mexico, share prices in Toronto eased at midsession on worries over the outcome of tomorrow's Nafta

The TSE-300 composite index was down 12.92 at 4,239.86 in volume of 31.1m shares.

**SOUTH AFRICA** GOLDS were easier in line with weak bullion prices, hut other sbares staged a late comeback. The golds index ended 41, or 2.1 per cent, lower at 1.942, while industrials gained

15 at 4.636 and the overall

# Dow lower on Frankfurt climbs 1.7% on zero growth warning

season was well under way, hut Frankfurt preferred to second-guess the Bundesbank once again, writes Our Markets

FRANKFURT heard chilling economic news at the weekend; yet it took the DAX index up hy 34.10, or 1.7 per cent to 2.049.11. Turnover leapt from DM6.7bn to DM9.7bn.

Mr Horst-Kaspar Greven, an institutional adviser at Merck Finck in Düsseldorf, said that hopes for further interest rate cuts were raised by the fore-cast of zero West German growth in 1994 hy Germany's "five wise men", the government's independent economic

However, he said, this also weakened the other leg of the German equity scenario, which would involve the beginnings of corporate earnings recovery from the middle of 1994. Two of yesterday's best per

formers, Mannesmann and Thyssen, were losing money at the moment, he said. Mannesmann, up DM13.40 to DM369.80,

had accumulated a gain of DM30.10 over the past five trading days. Yesterday saw a big US buy order and one dealer said that reports of a forthcoming telecommunications link between AT&T. France Telecom and Deutsche Telekom had excited fans of Mannesmann's telecoms offshoot.

In financials, Bayerische Vereinshank rose DM18, or DM3.5 per cent to DM527 following an analysts meeting late last week, while AMB dropped DM45 to DM1.405 for a two-day drop of DM95 from last week's speculative peak.

PARIS saw a spate of nine month figures as the CAC-40 index rose 21.05, or 1 per cent to 2,117.90, short of its day's high of 2,128. Analysts said that the market took its main encouragement from a number of external factors, including strength in Germany and hopes that trade talks will be poosted by an agreement on Nafta later in the week.

Rhone Poulenc was up FFr3.40 at FFr153.60 ahead of a envernment announcement on

Actuaries Share Indices FT-SE THE ELIROPEAN SERIES Open 10.30 11.60 72.00 13.00 14.00 15.00 Gless Hourty changes 1344.01 1344.51 1344.38 1348.15 1347.64 1348.36 1348.34 1347.91 FT-SE Eurotrack 100 FT-SE Eurotrack 200 1410.80 1411,15 1411,86 1413.90 1414.99 1414.51 1414.30 1413.86 Nov 10 May 9 Nov 12 Nov 11 1335.92 1403.42 1346 87 1339.42 FT-SE Eurotrack 100 FT-SE Eurotrack 200

1402.18

privatisation details after the have returned fairly positive close. Among those releasing turnover figures, Bouygues added FFr4 to FFr655 on a mall fall in the numbers.

AMSTERDAM ramained strong with VNU showing one of the day's biggest gains, but in small volume. The publisher's shares gained Fl 6.50 to Fl 158.00, just off their all time high of FI 158.20 as the CBS Tendency index added 2.5, or 1.8 per cent to 137.9.

Unilever recovered some of last week's losses on its third quarter figures, closing a net 62 cents higher at Fl 212.10, ex a F11.48 interim dividend After reflection, some analysts

1334.90 1401.18 Bess value 1000 (25/10/80) HighNey: 100 - 1346.80; 200 - 1415.82 Lewidey: 100 - 1343.82 200 + 1410.80.

> comments on the group. Hoare Govett, in sticking to its buy recommendation, noted that while the headline figures may have been unsatisfactory, the "underlying picture" remained

ZURICH found interest in corporata developments but the SMI index eased 3.7 to 2.717.4. CS Holding added SFr45 to

SFr3,425 on a share split, and its offer for Leu Holding, the private hanking group. Leu firmed SFr96 or 16.6 per cent to SFr690. BK Vision, which invests in shares of leading SFr80 or 4.7 per cent to SFr1,770 after it sold its Leu shares to CS Holding.

Alusuisse, planning to buy Canada's Lawaon Mardon group packaging company, fell SFr15 to SFr515. Holderbank, the cement pro-

ducer which found strong demand last week, saw profittaking as its forecast of a 3.9 per cent rise in current year profits proved at the bottom end of expectations. The shares

dipped SFr11 to SFr859.
MILAN was inhibited by today's end of the monthly account and the Comit index eased 0.90 to 545.42.

Fiat rose to an early L3,748 before easing to finish L19 lower at L3,609. Pirelli, firmly denying market rumours that It planned a rights issue. picked up L39 of last week's losses to finish at L1.775. BCL forecasting a net profit

for the current year as it launched its privatisation prospectus, added L36 to L2,253. MADRID responded to third quarter results as the general index closed 0.85 higher at

reduction in nine-month prof. its left Central Hispano Pta50 lower at Pta3,595 while in motors, quintupled losses at Nissan Iberica left it Pta28, or 14.6 per cent down at Ptaiss Pryca, the supermarket retailer, rose Pta45 to Pta1,425.

Ptal9.5bp. In banks, a small

Its figures, incorporating a 15 per cent gain in profits, came in after hours but Ms Alexandra Perricone at James Capel thought that after a period of share price weakness the market would be satisfied

with this performance. ISTANBUL gained 4 per cent helped by easier money market rates and a calmer political six uation. The composite index was up 610.7 at 15,788.5.

investors were also encouraged by news that the government intends to push shear with privatisation plans after the forthcoming party con-

Cochrage, John Pitt and Ma

### **ASIA PACIFIC**

# Nikkei average declines by 2.3% as region advances

THE NIKKEL average lost 2.3 per cent on worries over political reform negotiations, arbitrage selling and unwinding of margin positions, writes Emiko Terazono in Tokyo.

The 225-Issue index was down 418.94 at 18,074.61 after a day's high of 18,506.95 and low of 17,952.20. Volume was 280m shares, against 438m.

Weak futures prices trig-gered a wave of heavy arbitrage-linked selling, which constituted one third of the Declines led gains by 833 to

208, with 123 issues unchanged.

The Topix index of all first section stocks fell 26.42, or 1.7 per cent, to 1,539.65 and, in London, the ISE/Nikkel 50 index eased 0.43 to 1,237.71. Traders said many investors

ieving a breakthrough in political reform talks with the opposition Liberal Democratic party. "If the political reform bills do not pass through the lower house in the next few days, there will be a big delay in decision making regarding measures to hoost the economy," said Mr Yasuo Ueki at Nikko Securities.

Analysts also pointed to the absence of public funds, which had been the main support for share prices until East Japan Railway was listed last month. Mr Makoto Takano, an analyst at Daiwa Research Institute, estimated that the postal insurance and welfare organisation, which invests postal insurance funds for the Ministry of Posts and Telecommunications, only had around Y600bn (S5.65bn) left to invest in 5tocks this fiscal year to

March. if public pension fund manwere concerned about the prospects of Mr Morihiro Hosoagers were to place 5 per cent kawa, the prime minister, acb-

day, this would only leave 34 to 45 days worth of funds available, he said.

JR East weakened Y16,000 to Y462,000, while NTT sbed Y26,000 to Y773,000. Railway stocks were lower, with Keisei Electric Railway dropping Y33

The yen's rise to the Y105 level against the US dollar prompted selling in export-ori-ented stocks. Hitachi fell Y13 to Y798 and Sony declined Y80 to Y4,810. Toyota Motor retreated Y20 to Y1,770 and Nikon dipped Y40 to Y830. Banks fell on arhitrage-re-

lated selling. Industrial Bank of Japan lost Y50 to Y3,180 and Sakura Bank Y40 to Y1,600. In Osaka, the OSE average receded 317.78 to 20,288.58 in volume of 18.5m shares.

### Roundup

MOST of the region's markets began the week in strong form. HONG KONG established

another record close, although profit-taking trimmed gains after the Hang Seng index breached 9,800, The index ended 32.09 higher at 9,733.34, having peaked at 9,825.50 during the early afternoon.

The upbeat tone was set by Beijing's vow to speed marketstyle reform and hy hopes that the forthcoming meeting hetween the Chinese and US presidents will improve links, HK Telecom accounted for

the hulk of the index's retreat, ending 40 cents down at HK\$16.50, having been 20 cents ahead at one stage. SEOUL finished at a year's

high for the fourth consecutive session on the back of an across-the-hoard buying spree pared only by light profit-taking. The composite stock index added 14.07 at 810.72.

Buying interest was strong in heavily weighted financial shares and securities houses, taking the securities sub-index 115.40 higher to 2,748.07, but expensive blue chip manufacturers faced consolidation. TAIWAN set a new fivemonth closing high, helped by weekend news that the Finance Ministry would allow

a further batch of commercial

banks to invest in the market.

The weighted index advanced 57.91 to 4,329.05 in. turnover of T\$47.5bm. Foreign institutions were active in the electronics sector, with Acer closing limit up at T\$32.10 after last week's news that it was to raise its. 1968.

profits target by 25 per cent.
KARACHI was shafply higher on strong buying of hiue chip stocks. The KSE index added 16.74 at 1,717.07, its best level in 28 months. COLOMBO retreated after

the recent bull run as foreign investors were unnerved by heavy army losses in last week's Tamil rebel raid. The all-share index relinquished 22.18 to 805.74. KUALA LUMPUR weakened in reaction to continued restrictions on purchases and the lower Tokyo market. The composite index dipped 11.10 to 961.37. SINGAPORE fell on profit-taking, leaving the Straits Times Industrial index

16.45 lower at 2,095.55.

MANUA improved; with some interest seen in offer stocks. The composite inder over of 1.2hn pesos.

AUSTRALIA lost a large proportion of early gains on late profit-taking and the All Ordinaries index finished a net 8.5 up at 2:082.9. Turnover was a thin 43328 tm. Fairfax ended 2 cents down

at A\$3.17 ahead of announcing a 124 per cent jump in first quarter profits after the mar-

NEW ZEALAND fell back as most investors continued to await the final outcome of last week's general election. The NZSE-40 capital index-slipped 11.17 to 1,998.71.

# Hong Kong hears a different story

!	MARKE	TS IN	PERSP	ECTIVE		
		chango in loc	al currency †		turing t	in US \$ 1
	1 Week	4 Weeks	1 Year	Start of 1993	Start of 1993	Start of 1993
Austria	-0.83	-0.11	+32.02	+29.07	+24.99	+22.4
Belgium	-0.40	+0.80	+22,27	+23.29	+15.77	+13.3
Denmark	+0.04	+3.59	+32.29	+37.89	+31.10	+28.4
Finland	-1.89	+2.15	+101.13	+93.91	+77.54	+73.9
France	+0.63	-1.19	+19.38	+17.48	+12.55	+10.2
Germany	-0.07	+0.46	+30.81	+30.56	+27.62	+25.0
Ireland	+0.55	+5.66	+65.21	+49.85	+32.67	+29.9
Italy	1.45	-6.63	+31.12	+29.51	+17.59	+15.1
Netherlands	-2.00	+2.36	+33.19	+31.15	+28.28	+25.6
Nonvay	-1.22	+0.28	+50.41	+38.09	+30.49	+27.8
Span	+0.27	-0.32	+52.50	+40.59	+20.33	+17.8
Sweden	+0.51	+0.09	+78.76	+38.58	+21.85	+19.4
Switzerland	+2.24	+4.74	+41.72	+32.31	+32.23	+29.5
UK	+0.20	-0.86	+15.89	+10.25	+10.25	+7.9
EUROPE	+0.13	-0.08	+26.10	+21.14	+17.75	+15.3
Australia	-0.20	+0.37	+47.31	+28.94	+26.05	+23.4
Hong Kong	+8.65	+13.73	+49.38	+76.59	+80.68	+78.9
Japan	-0.80	-4.00	+26.38	+20.56	+44.75	+41.8
Małaysia	+2.57	+6.56	+74.11	+80.49	+88.92	+85.0
New Zealand	-8.81	-4.70	+50.48	+33.20	+42.50	+39.5
Singapore	+2.50	-3.54	+54.49	+43.74	+51.07	+47.9
Canada	+2.50	+3.51	+22.58	+21.03	+19.66	+17.2
USA	+1.40	-0.99	+9.73	+6.50	+8.73	+6.5
Мехісо	+1.59	+6.59	+22.97	+14.23	+12.65	+10.3
South Africa	+3.22	+6.16	+42.64	+32.86	+53.32	+50.1
WORLD INCEX	+0.61	-1.11	+20.24	+16.09	+22.66	+20.1

### By William Cochrane

nvestors in senior global markets had an uncomfortable time last week. As measured by the FT-Actuaries World Indices, the US performed better than the other hig hlocs, with a rise of 1.4 per cent against one of just

0.1 per cent in Europe and a fall of 0.8 per cent in Japan. However, Wall Street's eventual gains were based on Indicattons of economic recovery, which left an apparent price to

he paid elsewhere. International economists and strategists now expect higher US interest rates, sucking US investment back into the domestic bond market and away from the foreign adventures which have given Pacific Basin, and occasionally European equities, a high old time

of tt recently. So far, so good. The US was up, Europe flat, and Japan overvalned, according to analysts and investment managers. But that did not stop Hong Koog advancing a further 8.7 per cent, taking Its gain to

76.6 per cent so far this year. blr Michael Paterson, at Asia Equity in London, says that US interest rates, for Hong Kong, are a secondary argument. "A sharp rise in US rates would have some effect," he says, "although Hong Kon as an exporter would enjoy a US recovery.

However, adds Mr Paterson, the important thing about Hong Kong is that China has had an economic revolution and that it is using Hong Kong as a financial centre. He argues that the Hong Kong equity market, on a discount to the world on a 1994 price/ earnings ratio of 15, should actually be at a premium.

As Hong Kong rose, New Zealand fell, by ahout the same amount. First, the equity market there failed to get the National government it wanted, and expected, says Ms Pauline McAtamney at Ord Minett in London. Secondly, delays in the outcome of voting on eight marginal seats has produced further uncertainties, wblch may he resolved when the results are known tomorrow.

# WHERE TO WATCH

### MONDAY

06:30 European Business Today†

07:15 European Business Today†

12:30 FT Reports†

22:30 European Business Today†

### TUESDAY

06:30 European Business Today†

07:15 European Business Today† 07:45 FT Reports\*

12:30 West of Moscow† The EBRD re-shuffle. How effective will the new President's changes be?

13:15 FT Reports\*

15:45 FT Reports\*

18:45 FT Reports\*

22:30 European Business Today†

23:45 FT Reports\*

### WEDNESDAY

06:30 European Business Today†

07:15 European Business Today†

12:30 FT Reports†

22:30 European Business Today†

(If viewing in the UK deduct one hour.)

KEY • Sky News † Super Channel

FINANCIAL TIMES

TELEVISION

EDITORIAL

Tel: +44-81-614-2800 Fax: +44-81-614-2571

or reserve the second re-

\* Euronews

07:45 West of Moscow\*

THURSDAY

07:15 European Business Today†

06:30 European Business Today

West of Moscow† 12:30

13:15 West of Moscow\*

West of Moscow\* 18:45 FT Reports\*

21:30 FT Reports†

Brand Finale? Can Brands survive in the "ownlabel cost conscious 90's?

Also featuring: EUROPE BUSINESS MONITOR

a survey of leading business opinion across Eur ( For your copy of the Executive Summary call: 44 (0) 245 493046)

### FRIDAY

06:30 European Business Today†

22:30 European Business Today†

07:15 European Business Today+

12:30 FT Reports†

20:30 FT Reports\* 22:30 European Business Today†

### SATURDAY

03:30 West of Moscowe 

### SUNDAY 17:30 FT Reportse

22:30 FT Reports † 04:30 FT Reports •

INDEPENDENT TELEVISION SALES INTERNATIONAL ADVERTISING

Tel: +44-71-873-4281 Fax: +44-71-873-3928



FT-ACTUARIES WORLD INDICES Jointly compiled by The Financial Times Limited, Goldman, Sachs & Co. and NatWest Securities Limited

in conjunction with the Institute of Actuaries and the Faculty of Actuaries

NATIONAL AND REGIONAL MARKETS			FRIDA	AY NOVE	MBER 12	1993				URSDAY	NOVEM	BER 11 1	993	DOL	LAR IND	EX
Figures in parentheses show number of lines of stock	US Dollar Index	Day's Change	Pound Sterling Index	Yen Index	DM Index	Local Currency Index	Local % chg on day	Gross Dw. Yield	US Dollar Index	Pound Sterling Index	Yen Index	DM Index	Local Currency Index	1993 High	1993 Law	Year ago (approx)
Australia (69)	154.48	+0.5	154.44	103.66	135.86	156.02	+1.1	3.32	153.65	154.08	103.39	135,13	154.34	162.83	117.39	110.20
AUSDIG (17)	171.60	-1.0	171.55	115,15	150.91	151.52	-0.4	1.04	173.31	173.79	118.62	152.41	152.07	184.47	131.18	
Belgium (42)	151.07	~0.1	151.03	101.38	132.65	134,68	+0.0	4.28	151.23	151.65	101,75	132.99	134.63	156.76	131.19	137.23
Canada (107)	135.54	+0.6	135.50	90.94	119.19	128.86	+0.4	2.60	134.79	135.17	90.70	118.53	128.35	135.54	111.41	
Denmark (32)	239.01	+0.0	238.94	160.37	210.18	219.02	+0.1	1.04	238.93	239.59	160.78	210.12	218.65			114.32
Finland (23)	121.07	-0.8	121.03	81.24	106.47	148.17	-0.1	0.71	122.09	122.42				241.06	185.11	203.67
France (98)	162.25	+0.4	162.20	108.86	142.67	149.84					82.15	107.37	148.39	128.99	65.50	
Cormony 1600							+0.3	3.10	161.61	162.06	108.74	142.11	149.38	173.05	142,72	149.66
Germany (60)	130.06	-0.4	130.02	87. <b>2</b> 8	114.37	114.37	-0.4	1.86	130.61	130.97	87.90	114,86	114.86	136.13	101.59	108.12
Hong Kong (55)	302.07	+0,5	391,55	263.07	344.80	388.87	+0.5	2.81	390.06	391.14	262.46	343.04	386.95	392.07	218.82	259.05
Iretand (14)	17 <b>6</b> .45	-0.8	175.40	118.39	155,17	176.64	-0.8	3.21	177.50	177,99	119.44	156.09	178.07	177.89	129.28	126.89
raly (/u)	63.20	+0.6	63.18	42.40	55.57	78.20	+0.6	2,14	62.85	63.02	42.29	55.27	77.75	78.93	53.78	
Japan (469)	148.93	+2.4	148.88	99.93	130.98	99.93	+2.1	0.82	145.48	145.88	97.89	127.95	97.89			61.39
Malaysia (69)	483.85	+0.2	483.72	324.64	425.49	475.37	+0.4	1.44	482.79					165.91	100.75	100.54
Mexico (19)	1010 20	-0.3	1817.80	1220.06	1599.02					484.13	324.65	424.56	473.59	487.72	251,66	281.89
Slathariand MC3						5421.34	+1.0	0.77	1823.41	1828.45	1226.95		6359.65	1867.70	1410.30	1514.54
	190.24	+0.1	190.19	127.65	167.30	164.84	+0.1	3.21	190.12	190.65	127.93	167.20	164.81	197.07	150,39	152,98
New Zealand (13)	59.83	+0.7	59.81	40.15	52.62	59.02	+1.1	3.84	59,41	59.58	39.98	52.25	58.41	68.38	40.56	38.65
Norway (23)	176.02	+0.5	175.57	118.11	154.80	175.96	+0.8	1.45	175.08	175.56	117.81	153.97	174.80	185.10	137.71	131.55
Singapore (39)	315.73	-0.8	315.64	211.85	277.85	231.85	-0.6	1.38	318.21	319.09	214.12	279.83	233.34	332.55		
	222.41	+1.5	222.35	149.23	195.59	208.79	+1.1	2.57	215.05	215.66					207.04	200.69
Span (42)	137.44	-0.3	137.40	92.22	120.86						147.39	182.63	206.59	222.41	144.72	142.29
Swoden (96)						142.28	-0.2	4.15	137.79	138.17	92.72	121.17	142.59	145.24	115 <i>2</i> 3	111.07
Sweden (36)	187:77	+1.1	197.71	132.70	173.92	240.22	+0.5	1.45	195.65	196.19	131.66	172.06	238.96	208.92	149.70	157.37
Switzerland (50)	146.37	+0.0	146.33	98.22	128.74	135,84	+0.0	1.60	146,40	146.81	96.52	128.76	135.78	143,18	108.81	108.44
United Kingdom (218)	188.13	+0.2	196.08	124.88	163.67	186.08	-0.1	3.66	185.68	186.19	124.93	163.27	198.19	193.97	162.00	166.16
USA (519)	189.67	+0.6	169.62	127.28	166.61	189.67	+0.6	2.72	188.51	189.03	126.85	165.78	188.51			
	-4									.00.00	120.00	100.79	100.01	191.58	175.38	172.71
Europe (751)	156.87	+0.1	158.83	105.26	137.96	151-24	+0.0	3.00	156.68	157.11	105.43	137.79	151.24	162.87	133.92	135.08
Nordic (114)	188.02	+0.5	187.97	126.16	166.35	198.16	+0.4	1.26	187.00	167.52	125.83	164,45	197.47	194.54		
Pacific Basin (714)	157.66	+2.1	157.61	105.79	138.65	110.22	+1.8	1.09	154.47	154.39	103.94				142.13	147.22
Euro-Pacific (1465)	157.22	+1.3	157.18	105.49	138.26	126.61	+1.1	1.88				135.84	108.22	168.80	105.88	105.99
North America (626)	186.29	+0.8	186.24	125.02	163.86				155.27	156.70	104.47	136.54	125.26	162.86	117.26	117.76
Cumpa Es 112 8200						185.50	+0.8	2.72	185.15	165.67	124.60	162.85	184.38	187.68	171.51	169.09
Europe Ex. UK (533)	138.08	+0.0	138.04	92.67	121.45	130.62	+0.0	2.45	138.01	138.39	92.89	121.40	130.57	143.73	112.51	118.08
Padfic Ex. Japan (245)	242.02	+0.4	241,95	162.42	212,88	225.04	+0.8	2.63	241.16	241.82	162.30	212.10	223.80	245.12		
World Ex. US (1651)	158.26	+1.2	158,21	106.20	139.18	128.13	+1.1	1.88	156.34	156.78	105.21	137.49			152.70	159.53
World Ex. UK (1952)	165.94	+1.1	165.80	111.35	145.95	144.13	+1.0	2.03	164.18				127.78	162.89	118.51	118.76
World Ex. So. Al. (2110)	167.46	+1.0	167.41	112.37	147,27	147.38				164.83	110.48	144.40	142.72	188.66	134.22	133.17
	179.53	+0.4					+0.9	2.20	165.82	166.27	111.59	145.83	146.08	170.48	137.29	136,10
12-21/2 Cc. ashar [1101]	11200	70.4	179,48	120.48	157.91	175.83	+0.4	2.79	178,76	179.26	120.30	157.23	175.12	181.67	157.47	156.02
The World Index (2170)	167.73	+1.0	167 89	112.55	147 51	147.00	.00	0.01						-01191		100.02

The World Index (2170)...... 167.73 +1.0 167.89 112.55 147.51 147.92 +0.9 2.21 186.08 186.54 111.76 148.06 148.61 170.68 137.32 136.03

Copyright, The Financial Times Limited, Goldman, Sachs & Co. and NatWest Securities Limited. 1987 Libest prices were unavailable for this edition.